

Company number: 06377375

The Companies Act 2006

Company limited by shares

Written resolution

of

MyChumsClub Limited

(Circulation Date. 30th October 2007)

FRIDAY



Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as special resolutions and an ordinary resolution (as indicated below):

SPECIAL RESOLUTIONS

1. That the draft regulations attached to these resolutions for the purposes of identification be and they are adopted by the Company in substitution for its existing articles of association
2. That the directors be and are authorised to allot up to 6,933 ordinary voting shares of £1 each in the capital of the Company free of the pre-emption rights set out in the Company's articles of association adopted pursuant to resolution 1 above.

ORDINARY RESOLUTION

- 3 That each of the issued 13,200 ordinary shares of £1 each be re-designated as a voting ordinary share of £1 rights having the rights set out in the Company's articles of association adopted pursuant to resolution 1 above

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Special Resolutions

The undersigned, persons entitled to vote on the above resolutions on October 30th 2007 hereby irrevocably agree to the Special Resolutions and the Ordinary Resolution

Signed by Andrew Thatcher

Date

Signed by Nicholas Thatcher

Date

Signed by Brian Muirhead

Date

Signed by Anthony Philipson

Date



29 October 2007

Signed by Philip Ratcliffe

Date

Signed by Andrew Thatcher

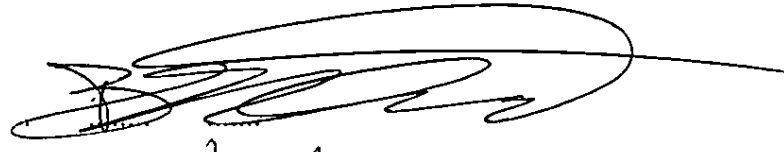
Date

Signed by Nicholas Thatcher

Date

Signed by Brian Muirhead

Date



2 November 2007

Signed by Anthony Philipson

Date

Signed by Philip Ratcliffe

Date

P K Ratcliffe
2 Nov. 2007

Signed by Andrew Thatcher



Date

October 30th 2007

Signed by Nicholas Thatcher



Date

October 30th 2007

Signed by Brian Muirhead

Date

Signed by Anthony Philipson

Date

Signed by Philip Ratchliffe

Date

NOTES

- 1 You can choose to agree to all of the resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to all of the resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods
 - **By Hand** delivering the signed copy to Andrew Thatcher of 10 Islet Park House, Islet Park, Maidenhead SL6 8LE
 - **Post** returning the signed copy by post to Andrew Thatcher of 10 Islet Park House, Islet Park, Maidenhead SL6 8LE
 - **E-mail** by attaching a scanned copy of the signed document to an e-mail and sending it to andrew@mychumsclub.com. Please enter "Written resolutions dated 2nd November 2007" in the e-mail subject box

If you do not agree to all of the resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply
- 2 Once you have indicated your agreement to the resolutions, you may not revoke your agreement
- 3 Unless, by 1st December 2007, sufficient agreement has been received for the resolutions to pass, they will lapse. If you agree to the resolutions, please ensure that your agreement reaches us before or during this date
- 4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

Articles of association

MyChumsClub Limited



COMPANIES HOUSE

Company number 06377375

Date of incorporation 20th September 2007

Adopted by written resolution passed on 2 November 2007

Roxburgh Milkins LLP

Merchants House North, Wapping Road, Bristol BS1 4RW

Telephone 0845 241 9500 Facsimile 0845 241 9496

Web site www.roxburghmilkins.com

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The Companies Act 1985

Company limited by Shares

Articles of association

of

MyChumsClub Limited

(Adopted by written resolution passed on 2nd November 2007)

1. Preliminary

The Company is a Private Company and, save as provided in these Articles and except where the same are varied or excluded by or are inconsistent with these Articles, the regulations contained in Table A in the Schedule to the Companies (Tables A to F) "Regulations" 1985 as amended prior to the date of the adoption of these Articles ("Table A") shall apply to the Company and shall be deemed to form part of these Articles. References in these Articles to Regulations are to regulations in Table A unless otherwise stated.

2. Definitions

In these Articles, unless the context otherwise requires, the following words have the following meanings

"the Act"	the Companies Act 1985 and, to the extent in force, the Companies Act 2006 but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force
"these Articles"	these Articles of Association in their present form or as from time to time altered,
"the Board"	the board of Directors of the Company or a duly authorised committee of it or the Directors present at a meeting of the board of Directors of the Company or a duly authorised committee of it, in each case at which a quorum is present,
"Club Member"	any registered user of any website operated by a Group Company from time to time,
"communication"	includes a communication comprising sounds or images or both and a communication effecting a payment,
"Director"	a director of the Company,
"electronic communication"	a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa)

	<p>(a) by means of a telecommunication system (within the meaning of the Telecommunications Act 1984) or</p> <p>(b) by any other means but while in electronic form,</p>
"Expelled Club Member"	<p>any Club Member who, due to his breach of any terms and conditions, is prohibited from</p> <p>(a) continuing to be a registered user of any website operated by a Group Company or</p> <p>(b) participating in any events or activities organised by a Group Company,</p>
"Expelled Club Member's Shares"	<p>in relation to an Expelled Club Member, any Shares which are held by the Expelled Club Member together with the other Relevant Shares,</p>
"Expert"	<p>the auditors of the Company from time to time, or if the auditors are unwilling or unable to act, any person nominated by the parties concerned or, in the event of disagreement, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales,</p>
"Fair Price"	<p>such price per share as may be agreed between the Board and the transferor, for the purposes of Article 12 2 or article 13 2 (as the case may be), or in the absence of agreement, the price which an Expert states in writing to be, in their opinion, the fair value of each share concerned in relation to the Shares concerned, on a sale as between a willing seller and a willing purchaser, in determining such fair value the Expert shall be instructed in particular</p> <p>(a) to have regard to the rights and restrictions attached to the Shares in respect of income and capital,</p> <p>(b) to disregard whether or not the Shares represent a minority interest</p> <p>(c) to take no account of whether the Shares do or do not carry control of the Company,</p> <p>(d) if the Company is then carrying on business as a going concern, to assume that it will continue to do so,</p> <p>and in stating the Fair Price the Expert (whose charges shall be borne as the Expert shall determine) shall be considered to be acting as an expert and not as an arbitrator and its decision shall be final and binding on the parties,</p>

"Family Trust"	<p>a trust which only permits the settled property or the income from the settled property to be applied for the benefit of</p> <ul style="list-style-type: none"> • the settlor and/or a Privileged Relation of that settlor, or • any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities), <p>and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor For purposes of this definition "settlor" includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased Member,</p>
"Founders"	Andrew Thatcher, Nicholas Thatcher, Brian Muirhead, Anthony Philipson and Philip Ratcliffe, each being a "Founder",
"Group"	the Company and its Subsidiaries from time to time, each being a "Group Company",
"Major Interest"	an interest (within the meaning of Schedule 13, Part 1 and Section 324 of the Act) in Shares conferring in aggregate 20% or more of the total voting rights conferred by all the Shares in the equity share capital of the Company for the time being in issue,
"Non-voting Shares"	the non-voting ordinary shares of £1 each in the capital of the Company having the rights set out in these Articles,
"paid up"	paid up or credited as paid up,
"Privileged Relations"	the spouse or widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Shareholder's children, each being a "Privileged Relation",
"Relevant Shares"	in relation to a Shareholder means any Shares which

- (a) are held by the Shareholder,
- (b) were originally transferred or issued to that Shareholder but which were subsequently transferred to another person (other than Shares transferred pursuant to Article 9) by such Shareholder,
- (c) were offered to that Shareholder but, on his direction, were transferred or issued to another person (being a Privileged Relation, trustee of a Family Trust or nominee of such Shareholder) at the request of such Shareholder,
- (d) were not held by the Shareholder but which were subsequently acquired by him or by some other person pursuant to the exercise of rights to acquire such Shares

save, in the case of Shares described in subparagraphs (b), (c) and (d), that the Board declares itself satisfied were not acquired directly or indirectly by reason of their relationship with the Shareholder,

"Shareholder"

a holder for the time being of Shares,

"Shares"

the shares comprised in the Company's authorised share capital from time to time,

"Subsidiary"

any subsidiary undertaking for the purposes of the Act of the Company from time to time and "Subsidiaries" shall be construed accordingly, and

"Voting Shares"

the voting ordinary shares of £1 each in the capital of the Company having the rights set out in these Articles

3. Share capital

The share capital of the Company is £1,000,000 divided into 13,333 Non-voting Shares and 986,667 Voting Shares

4. Shares

4 1 The Board is generally and unconditionally authorised for the purposes of Section 80 of the Act to exercise any power of the Company to allot relevant securities (as defined in that Section) to such persons, on such terms and in such manner as it thinks fit, up to an aggregate nominal amount of £50,000 at any time or times during the period of 5 years from the date of the adoption of these Articles

4 2 The authority contained in Article 4 1 shall enable the Board to allot relevant securities after the expiry of this period of 5 years pursuant to an offer or agreement made by the Company before the expiry of this period

- 4 3 All unissued Shares or securities of the Company not comprising relevant securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as it thinks proper

5. Share Rights

- 5 1 The Voting Shares shall entitle their holders to receive notice of, to attend and vote at all General Meetings of the Company
- 5 2 The Non-voting Shares shall entitle their holders to receive notice of and to attend all General Meetings of the Company but they shall not entitle the holders to vote at them
- 5 3 The rights attached to the Non-voting Shares may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, by the passing of a special resolution of the Company and no separate consent, approval or resolution shall be required from the holders of the Non-voting Shares in order to effect the variation or abrogation of the rights of the Non-voting Shares
- 5 4 Save as specifically set out in these Articles the Non-voting Shares and the Voting Shares shall rank equally

6. Lien

The lien conferred by Regulation 8 shall also attach to fully paid Shares and the Company shall also have a first and paramount lien on all Shares, whether fully paid or not, standing registered in the name of any person, whether he shall be the sole registered holder of them or shall be one of two or more joint holders for all moneys presently payable by him or his estate to the Company Regulation 8 shall be modified accordingly

7. Forfeiture

The liability of any Shareholder in default of payment of a call shall, if the Board so directs, also include any costs and expenses suffered or incurred by the Company in respect of such non-payment and the powers conferred on the Board by Regulation 18 and the provisions of Regulation 21 shall be extended accordingly

8. Pre-emption rights on issues of Shares

- 8 1 Unless otherwise determined by the holders of 75% of the Voting Shares, any Shares for the time being unissued shall, before they are issued, be offered to the existing Shareholders in proportion, as nearly as may be practicable, to the number of existing Shares held by them respectively
- 8 2 Such offer (as referred to in Article 8 1) shall be made by notice in writing to each Shareholder specifying the number of Shares offered to him and the subscription price for such Shares and inviting him to state in writing within such period as the Board may prescribe (being not less than fourteen days after the date of the notice) whether he wishes to accept any and, if so, what number of Shares offered to him and whether he wishes to subscribe for Shares in excess of his entitlement and, if so, what maximum number
- 8 3 If, within the period referred to in Article 8 2, such Shareholders have expressed their willingness to accept all or any of the Shares offered to them, such Shares shall be so issued to them accordingly

- 8 4 Any Shares so offered to any such holder of Shares and not taken up within the period referred to in Article 8 2 shall be issued to those Shareholders who have taken up their full entitlement of Shares and who have indicated a willingness to subscribe for excess Shares and such issue shall be in proportion, as nearly as may be practicable, to the number of excess Shares which they have each expressed a willingness to take up but subject to the limitation that no Shares shall be issued to any such holder of Shares in excess of the maximum number which he has expressed a willingness to subscribe
- 8 5 Any Shares not taken up pursuant to such offer (and any Shares released from the provisions of this Article by the holders of 75% of the Voting Shares pursuant to Article 8 1) shall be under the control of the Board who may allot, grant options over or otherwise dispose of such Shares to such persons on such terms and in such manner as it thinks fit provided that in the case of any Shares not disposed of pursuant to the offer to the Shareholders in accordance with this Article 8, such Shares shall not be disposed of on terms more favourable than the terms on which they were offered to the holders of Shares This Article 8 shall have effect subject to section 80 of the Act
- 8 6 Pursuant to Section 91 of the Act, sub-section (1) of section 89 and sub-sections (1) to (6) inclusive of section 90 of the Act shall be excluded from applying to the Company
9. Transfers of Shares - pre-emption procedure
- 9 1 Save as provided in Articles 10, 11, 12, 13 or 21, no Shareholder, or person entitled to Shares in the Company by transmission, shall be entitled to transfer his Shares
- (a) for any reason until 1st October 2010, and
- (b) on or after the after 1st October 2010 without first offering them for transfer to the other Shareholders in accordance with this Article 9
- 9 2 Save as provided in Articles 12 or 13, any Shareholder wishing to offer to transfer his Shares may make an offer in respect of all or part only of the Shares he holds and such offer shall be made by the proposing transferor by notice in writing to the Company (a "Transfer Notice")
- 9 3 The Transfer Notice shall specify the Shares offered (the "Offered Shares") and the price per Share at which they are offered (the "Specified Price") The Transfer Notice shall constitute the Directors as the agent of the proposing transferor for the sale of the Offered Shares to other Shareholders at the Specified Price The Transfer Notice may contain a provision that, unless all the Offered Shares are sold under this Article, none shall be sold and that provision shall have effect The Transfer Notice may not be revoked unless the Directors otherwise agree
- 9 4 On receipt by the Company of the Transfer Notice the Directors shall as soon as practicable give notice to all the Shareholders (other than the proposing transferor) of the number and description of the Offered Shares and the Specified Price The notice shall invite each of the Shareholders to state in writing to the Company within 14 days (the "Period") whether he is willing to purchase any and, if so, what maximum number ("Maximum"), of the Offered Shares The Directors shall at the same time give a copy of the notice to the proposing transferor
- 9 5 Subject to Article 9 6, on the expiration of the Period the Directors shall allocate the Offered Shares to or amongst those persons who have expressed a willingness to purchase Offered Shares ("Purchasers") as follows
- (a) each allocation between Purchasers shall, in the case of competition, be made pro rata to the nominal amount of Shares held by each of them but shall not exceed the Maximum which such holder shall have expressed a willingness to purchase, and

- (b) if the Transfer Notice shall state that the proposing transferor is not willing to transfer part only of the Offered Shares, no allocation will be made unless all the Offered Shares are allocated
- 9 6 On the allocation being made, the Directors shall give details of the allocation in writing to the proposing transferor and each Purchaser and, on the seventh day after such details are given, the Purchasers to whom the allocation has been made shall be bound to pay the purchase price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the proposing transferor shall be bound, on payment of the purchaser price, to transfer the Offered Shares to the respective Purchasers to whom the allocation has been made
- 9 7 If the proposing transferor, after becoming bound to transfer Offered Shares, fails to do so, the Company may receive the purchase price and the Directors may appoint a person to be the proposing transferor's agent or attorney to execute instruments of transfer of the Offered Shares in favour of the Purchasers to whom the allocation has been made and shall cause the names of those Purchasers to be entered in the register of Shareholders of the Company as the holders of the Offered Shares and shall hold the purchase price in trust for the proposing transferor. The receipt of the Company shall be a good discharge to those Purchasers and, after their names have been entered in the Register of Shareholders of the Company under this provision, the validity of the transactions shall not be questioned by any person
- 9 8 If, following the expiry of the Period, any of the Offered Shares have not been allocated under Article 9 4, the proposing transferor may at any time within a period of 90 days after the expiry of the Period transfer the Offered Shares not allocated to any person and at any price (being not less than the Specified Price) provided that the Directors may require to be satisfied that those Shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the Purchaser and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the Directors' absolute discretion to refuse to approve or register any transfer of Shares in the circumstances described in Article 9)
- 10. Transfers of Shares with shareholder consent
- 10 1 Notwithstanding the provisions of Article 9 (but subject always to Article 21 1 (Tag Along)), a transfer of any number of Shares may be made by any person to any person with the prior written consent of the holders of 75% of the Voting Shares
- 10 2 Notwithstanding the provisions of Article 9 and Article 21 1 (Tag Along) but subject to the provisions of Articles 12 and 13 any Shareholder may at any time during his lifetime transfer all (but not some only) of the Shares held by him to
 - (a) a Privileged Relation, or
 - (b) to trustees to be held upon a Family Trust of which he is the settlor, provided that any such transfer of shares to trustees to be held upon a Family Trust may only be made with the prior written consent of the Board
- 10 3 Where the consent of the Board is requested to a transfer to a Family Trust such consent must be given if the Board is satisfied
 - (a) with the terms of the trust instrument and in particular with the powers of the trustees,
 - (b) with the identity of the proposed trustees, and
 - (c) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company

10 4 Where any Shares are held by trustees upon a Family Trust such Shares may be transferred without restriction as to price or otherwise

- (a) on any change of trustees, to the new trustees of that Family Trust, or
- (b) at any time to the settlor or to the trustees of another Family Trust of which he is the settlor or to any Privileged Relation of the settlor

11. Registration of transfers and conversion on Transfer

11 1 The Directors shall refuse to register a proposed transfer not made under Articles 9, 12 or 13 or permitted by Article 10

11 2 Upon any transfer of any

- (a) Voting Shares to a person who holds Non-voting Shares but does not hold any Voting Shares each of the Voting Shares which are to be transferred shall, unless the Board otherwise resolves, with effect from the registration of such transfer in the Company's register of members be reclassified as a Non-voting Share, or
- (b) Non-voting Shares to a person who holds Voting Shares each of the Non-voting Shares which are to be transferred shall, unless the Board otherwise resolves, with effect from the registration of such transfer in the Company's register of members be reclassified as a Voting Share,

without in either case the requirement for any further action on the part of either the Company or any of its Shareholders

11 3 Notwithstanding the other provisions of these Articles, the Directors may also refuse to register a transfer of a Share on which the Company has a lien or which is not a fully paid Share

11 4 A person executing an instrument of transfer of a share is deemed to remain the holder of the share until the name of the transferee is entered in the register of Shareholders of the Company in respect of it.

11 5 The first sentence of Regulation 24 of Table A shall not apply

12. Deceased and bankrupt shareholder provisions

12 1 Regulations 29, 30 and 31 of Table A shall be applied subject to the provisions of Articles 11 3, 12, 13 and 20

12 2 If a Shareholder (the "departing Shareholder")

- (a) shall have a bankruptcy order made against him or shall be declared bankrupt by any court of competent jurisdiction, or
- (b) shall make an offer to make any arrangement or composition with his creditors generally, or
- (c) shall die, or
- (d) shall suffer from mental disorder and be admitted to hospital or shall become subject to any court order referred to in Regulation 81(c),

unless the persons holding or being entitled to any Relevant Shares in consequence of any of the above events (together the "representatives") have, within 6 months of the occurrence of the

above event, transferred such Shares to

- (a) the Privileged Relations of the departing Shareholder, or
- (b) such other person(s) as are approved by the Board

the representatives shall be bound at any time, if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such Shares. If a representative fails to give a Transfer Notice in respect of all of the Shares held by or transmitted to him in consequence of the above event, he shall be deemed to have served the Company with a Transfer Notice in respect of such Shares on the date on which the Board required the Transfer Notice to be given. The provisions of Articles 9.2 to 9.7 shall apply mutatis mutandis to the Shares and the Transfer Notice save that the price per share of the Shares to be transferred shall be the Fair Price calculated as at the date on which the Transfer Notice is either actually given or deemed to have been received by the Company.

13. Compulsory transfers

- 13.1 Upon any Club Member becoming an Expelled Club Member, Transfer Notice(s) shall be deemed to have been served in respect of all the Expelled Club Member's Shares on the date falling 60 days after the date of such cessation or on such earlier date as the Board may prescribe for the purposes of this Article 13.1
- 13.2 On a transfer under Article 13.1, the price per share of the Expelled Club Member's Shares to be transferred shall be the Fair Price
- 13.3 The Fair Price shall be calculated as at the date the relevant person became an Expelled Club Member
- 13.4 In cases where Article 13.1 applies, the provisions of Articles 9.2 to 9.7 shall apply mutatis mutandis, provided that the expelled Club Member shall not be permitted to specify that the expelled Club Member's Shares are subject to a total transfer condition and references to the Specified Price shall be substituted by the Fair Price calculated as set out above

14. Proceedings at general meetings

- 14.1 No business shall be transacted at any meeting unless a quorum is present at the time when the meeting proceeds to business. Subject to Article 14.2, two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation, shall be a quorum
- 14.2 If the Company has only one Shareholder, that sole Shareholder present in person or by proxy shall constitute a quorum
- 14.3 If within half an hour from the time appointed for a general meeting, a quorum is not present, the meeting, if convened upon the requisition of Shareholders, shall be dissolved, in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved
- 14.4 Regulations 40 and 41 shall not apply to the Company
- 14.5 A poll may be demanded at any general meeting by any Shareholder present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly

15. Delegation of Directors' powers

Any committee of the Board may consist of one or more co-opted persons other than Directors on whom voting rights may be conferred as Shareholders of the committee but so that

- (a) the number of co-opted Shareholders shall be less than one-half of the total number of Shareholders of the committee, and
- (b) no resolution of the committee shall be effective unless a majority of the Shareholders of the committee present at the meeting are Directors

Regulation 72 shall be modified accordingly

16. Appointment and retirement of Directors

16 1 For as long as a Founder together with his Privileged Relations and trustees of a Family Trust of which he is settlor hold 1% or more of the issued Shares, the Founder is entitled to remain a director of the Company and each other Group Company unless and until he

- (a) suffers from mental disorder and is admitted to hospital or shall become subject to any court order referred to in Regulation 81(c),
- (b) is convicted of any criminal offence (other than a motoring offence for which no custodial sentence is imposed),
- (c) is adjudicated bankrupt or makes any arrangement or composition with his creditors, or
- (d) is disqualified from being a director of a company by reason of an order made by a competent court

16 2 The minimum number of Directors shall be one. The Quorum for the transaction of the business of the Directors may be fixed by the Board and unless so fixed at any other number shall be two (or if there are less than two Directors, the sole Director). In the event of there being a sole Director, he shall have all the powers and be subject to all the provisions herein conferred on the Directors and he or any alternate Director appointed by him shall alone constitute a quorum at any meeting of the Board. Regulations 64, 89 and 90 shall be modified (and all other Regulations in these Articles relating to Directors shall be construed) accordingly

16 3 In the case of an equality of votes the chairman shall have a casting vote

16 4 The Directors shall not be subject to retirement by rotation and accordingly

- (a) Regulations 73 to 75 inclusive, Regulation 80 and the last sentence of Regulation 84 shall not apply to the Company,
- (b) Regulation 76 shall apply but with the deletion of the words "other than a director retiring by rotation",
- (c) Regulation 77 shall apply but with the deletion of the words in brackets "(other than a director retiring by rotation at the meeting)",

- (d) Regulation 78 shall apply but with the deletion of the words "and may also determine the rotation in which any additional directors are to retire", and
 - (e) Regulation 79 shall apply but with the deletion of the second and third sentences of it
- 16 5 In any case where, as the result of death or deaths, the Company has no Shareholders and no Directors the personal representatives of the last Shareholder to have died shall have the right by notice in writing to appoint a person to be a Director of the Company and such appointment shall be as effective as if made by the Company in General meeting For the purpose of this article, where two or more Shareholders die in circumstances rendering it uncertain which of them survived the other or others, the Shareholders shall be deemed to have died in order of seniority, and accordingly the younger shall be deemed to have survived the elder
- 16 6 For the avoidance of doubt, to the extent permitted by law, the Directors may give any form of financial assistance (as defined in Section 152, Companies Act 1985), directly or indirectly, for the purpose of, or in connection with, any acquisition or proposed acquisition of Shares in the Company and/or any holding company of the Company and/or any reduction or discharge of a liability incurred by any person for the purpose of such an acquisition
17. Directors
- 17 1 An alternate Director may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may by notice in writing to the Company from time to time direct The Directors (including alternate Directors) shall also be entitled to be paid their reasonable travelling, hotel and other expenses of attending and returning from meetings of the Company or otherwise incurred while engaged on the business of the Company or in the discharge of their duties The end of the first sentence of Regulation 66 shall be modified accordingly and Regulations 82 and 83 shall not apply to the Company
- 17 2 Any Director who, by request, performs special services or goes or resides abroad for any purpose of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director shall receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses
- 17 3 Subject to the provisions of the Act and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is in any way interested,
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is in any way interested,
 - (c) may, or any firm or company of which he is a Shareholder or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
 - (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
 - (e) shall be entitled to vote and be counted in the quorum on any matter concerning paragraphs (a) to (d)

17 4 For the purposes of Article 17 3

- (a) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified,
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and
- (c) an interest of a person who is, for any purpose of the Act (excluding any statutory modification not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

Regulations 85, 86 and 94 to 97 inclusive shall not apply to the Company

18. Proceedings of Directors

An alternate director who is himself a Director and/or who acts as an alternate director for more than one Director shall be entitled, in the absence of his appointor(s), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a director) to his own vote Regulation 88 shall be modified accordingly

19. Board Meetings

19 1 A person in communication by electronic means with the chairman and with all other parties to a meeting of the directors or of a committee of the directors shall be regarded for all purposes as personally attending such a meeting provided that, at such a meeting, he has the ability to communicate interactively and simultaneously with all other parties attending the meeting including all persons attending by electronic means

19 2 A meeting at which one or more of the directors attends by electronic means is deemed to be held at such place as the directors shall at the said meeting resolve In the absence of a resolution as aforesaid, the meeting shall be deemed to be held at the place, if any, where a majority of the directors attending the meeting are physically present, or in default of such a majority, the place at which the chairman of the meeting is physically present

19 3 In this Article 'electronic' means actuated by electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy and 'by electronic means' means by any manner capable of being so actuated, including telephonic means

20. Notices

A notice served by post shall be deemed to be given at the expiration of 24 hours (or, where second class mail is employed, 48 hours) after the time when the cover containing it is posted and in the case of a notice contained in an electronic communication at the expiration of 48 hours after the time it was sent The second sentence of Regulation 115 shall not apply to the Company

21. Tag along and drag along rights

21 1 Tag along

No sale or transfer of the legal or beneficial interest in any Shares in the Company may be made or validly registered in circumstances where, as a result of such sale or transfer and registration thereof, a Major Interest would be obtained in the Company by any person or group of persons (other than existing Shareholders) acting in concert, unless the proposed transferee or transferees or his or their nominees

- (a) are independent third parties acting in good faith, and
- (b) has or have offered to purchase all of the Shares upon the same terms

21 2 Drag along

If the holders of 60% of the Shares in issue for the time being (the "Selling Shareholders") wish to transfer all their interest in Shares (the "Sellers' Shares") to a bona fide arms length purchaser (the "Third Party Purchaser") the Selling Shareholders shall have the option (the "Drag Along Option") to require all

- (a) the other Shareholders, and
- (b) persons to whom the Company might issue any Shares (whether pursuant to a share option, warrant or otherwise),

(together the "Called Shareholders") to sell and transfer all their Shares upon the same terms to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of this Article

21 3 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "Drag Along Notice") at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all Shares they own at the date of the Drag Along Notice and (if applicable) any Shares that may be issued after the date of the Drag Along Notice (together the "Called Shares") pursuant to this article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this article) and the proposed date of transfer

21 4 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice

21 5 No Drag Along Notice may require a Called Shareholder to agree to any terms save those specifically provided for in this article

21 6 Subject to the remainder of this sub-Article 21 6, completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless

- (a) all of the Called Shareholders and the Selling Shareholders agree otherwise, or
- (b) that date is less than 3 days after the Drag Along Notice where it shall be deferred until the third day after the Drag Along Notice

If any of the Called Shares are allotted after the date determined for completion under the remainder of this sub-Article 21 6 (each a "Late Issued Share") then the sale of each Late Issued Share shall complete on the date specified by the Third Party Purchaser provided that such date is within 14 days of the date a Late Issued Share is allotted

- 21 7 The rights of pre-emption set out in these articles shall not arise on any transfer of Shares to a Third Party Purchaser (or as he may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served
- 21 8 If any holder of Shares does not on completion of the sale of Shares execute transfer(s) in respect of all the Shares held by him the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as they may direct) and the directors shall forthwith register the Third Party Purchaser (or as they may direct) as the holder thereof After the Third Party Purchaser (or their nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person It shall be no impediment to registration of Shares under this sub-article that no share certificate has been produced
- 21 9 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire Shares in the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served upon the New Shareholder on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such Shares acquired by him to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this article shall apply mutatis mutandis to the New Shareholder save that completion of the sale of such Shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Shareholder

22. Indemnity

Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation to them including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company Regulation 118 shall not apply to the Company