

Company Number : _____

IN THE COMPANIES ACTS 1985 to 1989 and 2006

LAKE STAR MEDIA LIMITED

RESOLUTIONS

At an Extraordinary General Meeting of the Members of the above-named Company duly convened and held at the Wilbraham House, 28/30 Wilbraham Road, Fallowfield, Manchester M14 7DW on [~~20th October~~] 2008 the following resolutions were passed as to resolution 1 as an Ordinary Resolution and resolutions 2 and 3 as Special Resolutions -

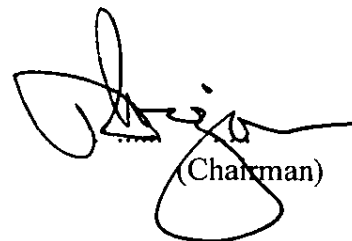
ORDINARY RESOLUTIONS

(1) THAT 968 Ordinary Shares of £1 00 each in the authorised but unissued share capital of the Company be and are hereby reclassified as 968 Executive Shares of £1 00 each, such shares having the rights and being subject to the restrictions attaching thereto under the new Articles of Association of the Company adopted pursuant to paragraph 3 below

SPECIAL RESOLUTIONS

(2) THAT the Directors of the Company be and they are hereby empowered pursuant to s 95 Companies Act 1985 to allot equity securities (within the meaning of s 94 as defined for the purposes of s 95 Companies Act 1985) for cash as if s 89(1) of the said Act did not apply to any such allotment

(3) THAT the regulations contained in the document annexed to this resolution be adopted as the Articles of Association of the Company, in substitution for and to the entire exclusion of the existing Articles of Association of the Company


(Chairman)



Company No: 6413960

THE COMPANIES ACT 1985-2006

PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 20th October 2008)

of

LAKE STAR MEDIA LIMITED

INTERPRETATION

1 In these articles, if not inconsistent with the subject or context

“Act”	means the Companies Act 1985, as amended or re-enacted from time to time and any provisions of the Companies Act 2006 for the time being in force,
“Business”	means the business of digital marketing services and such other businesses as the board of the directors of the Company shall approve from time to time in substitution for or in addition to such business,
“control”	shall have the same meaning as the meaning ascribed to the term in Section 840 of the Taxes Act,
“Controlling Interest”	means an interest (within the meaning of Part 1 of Schedule 13 to the Act) in any Shares conferring an aggregate of more than 50% of the total voting rights conferred by Shares conferring the right to vote at all general meetings of the Company,
“Executive Shares”	means the executive shares of £1 each in the capital of the Company,
“Equity Share Capital”	has the same meaning as in Section 744 of the Act,
“Family Members”	means, in relation to a member who is beneficially entitled to Shares, his spouse, children, grandchildren and parents from time to time,
“Family Trust”	means a trust (whether discretionary or otherwise) arising under any settlement made inter vivos by a member or any trust which arises on death or intestacy under which no beneficial interest in the shares in question is or may be vested in any person

	other than a member and/or his Family Members,
“Group”	means together the Company and its subsidiaries (if any) or holding company (if any) from time to time,
“holding company”	has the meaning given to the term in Section 736 of the Act,
“Ordinary Shares”	means the ordinary shares of £1 each in the capital of the Company,
“Proportions”	means the relative proportion of Shares of the Company from time to time held by each member,
“Shares”	mean together the Executive Shares and Ordinary Shares of £1 each in the share capital of the Company;
“subsidiary”	has the meaning given to the term in Section 736 of the Act,
“Table A”	means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No 1052), the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007 No 2541) and the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007 No 2826),
“Taxes Act”	means the Income and Corporation Taxes Act 1988

TABLE A

- 2 The regulations contained in Table A apply to the Company except in so far as they are excluded by or inconsistent with these articles
- 3 Regulations 24, 40, 76, 77, 89, 96, 101, 109 and 118 of Table A do not apply to the Company

SHARE CAPITAL

- 4 The Company does not have the power to issue share warrants to bearer.
- 5 The provisions of section 89(1) of the Act do not apply to the Company
- 6 The share capital of the Company (at the date of adoption of these articles) is £1000 divided into 968 Executive Shares of £1 each and 32 Ordinary Shares of £1 00 each
- 7 The Shares constitute the same class of shares for the purposes of the Act and, except as in these articles expressly provided, confer upon the holders the same rights and rank *pari passu* in all respects

- 8 The maximum amount of relevant securities (as defined by section 80(2) of the Act) which the directors may allot, grant options or subscription or conversion rights over or otherwise deal with or dispose of pursuant to this article shall be the authorised but as yet unissued share capital of the Company at the date of adoption of these articles. The authority conferred on the directors by this article shall expire on the day preceding the fifth anniversary of the date of adoption of these articles.

WORKING CAPITAL

- 9 If the directors determine from time to time to issue shares to members holding Shares, they may only do so if the holders of at least 70% of the Executive Shares agree in writing from time to time and if the procedure set out in articles 9.1 to 9.6 (inclusive) is followed.

9.1 the directors shall offer equity securities (as defined in Section 94 of the Act) for issue for cash to members holding Shares in proportion, as nearly as possible, to their existing holdings of Shares,

9.2 the offer referred to in article 9.1 shall be made by written notice specifying the number of Shares offered, the proportionate entitlement of the relevant member and the Issue Price Per Share and limiting a period (not being less than 21 days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time, the directors shall offer the Shares which have been declined or are deemed to have been declined to the persons who have within the said period accepted all the Shares offered to them. Such further offer shall be on the same terms as the first offer and shall invite each of such members to state in writing within a period of not less than 7 days whether they are willing to take any, and if so, what maximum number of the Shares so offered. At the expiration of the time limited in respect of the further offer the directors shall allot the Shares so offered to or amongst the persons who have notified their willingness to take such Shares, and in the event of competition in proportion to the number of Shares held by such members respectively,

9.3 at the expiration of the time limited by the notice or notices the directors shall allot the Shares so offered to or amongst those members who have notified their willingness to take all or any of such Shares in accordance with the terms of the relevant offer. No member shall be obliged to take more than the maximum number of Shares he has indicated his willingness to take,

9.4 if any Shares remain unallocated after the further offer, subject to the provisions of this article and section 80 of the Act, the directors shall be entitled to dispose of these Shares to such persons on such terms and in such manner as they think fit save that these Shares shall not be disposed of on terms which are more favourable to their subscribers than the terms on which they were offered to the members;

9.5 no Shares shall be allotted on terms that the right to take up the Shares allotted may be renounced in favour of, or assigned to, another person and no member entitled to allotment of a share may direct that such share may be allotted or issue to any other person,

9.6 for the purpose of the preceding provisions of this article 9, Issue Price Per Share shall mean the price per share agreed upon by a majority decision of the Board at which a majority of the directors (or their respective alternates) were present or, in

the absence of agreement, by a firm of chartered accountants agreed by the holders of at least 70% of the Executive Shares or, in default of agreement, on the reference of the Company, a firm of chartered accountants nominated by the President for the time being of the Institute of Chartered Accountants for England and Wales. The cost of obtaining the accountants' certificate shall be borne in equal proportions by the members.

- 10 The Company may, by special resolution of the Executive Shareholder, whether or not all the Shares for the time being authorised have been issued or all the Shares for the time being issued have been fully paid up, increase its share capital by new Shares of such number and class as the special resolution prescribes.
- 11 As well as provided in article 9, the directors have power at their discretion to issue unissued Shares and shall allot, grant options or subscription or conversion rights over or otherwise dispose of them to a third party investor or any other party or employee on such terms as the directors see fit.
- 12 The Company shall have a first and paramount lien on every Share for all moneys (whether presently payable or not) called or payable at a fixed time and in respect of that Share. The Company shall also have a first and paramount lien on all Shares registered in the name of any person (whether solely or jointly with others) for all moneys owing to the Company from him or his estate either alone or jointly with any other person, whether as a member or not and whether such moneys are presently payable or not. The directors may at any time declare any Share to be wholly or partly exempt from the provisions of this article. The Company's lien on a share shall extend to any amount payable in respect of it.

CLASS RIGHTS OF SHARES

- 13 The rights attaching to the Shares are
 - 13.1 As regards Voting
 - 13.1.1 the Executive Shares shall confer on the holders the right to receive notice of and to attend, speak and vote at all general meetings of the Company,
 - 13.1.2 the Ordinary Shares shall not confer on the holders the right to receive notice of nor to attend nor to speak at any and all general meetings of the Company and shall not carry an voting rights
 - 13.2 As regards Income
 - 13.2.1 the directors may at any time declare a dividend to be payable in respect of one class of Share only and in respect of any class of Share at varying rates,
 - 13.3 As regards Capital
 - 13.3.1 upon a winding-up of the Company, all Shares of the Company shall rank pari passu in all respects,

TRANSFER OF SHARES

- 14 The instrument of transfer of any Share shall be executed by or on behalf of the transferor. In the case of a partly-paid share, the instrument of transfer must also be executed by or on

behalf of the transferee. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it.

- 15 Subject to article 15.14, no transfer of any Shares or any interest in Shares shall be made unless the holder or holders of at least 70% of the Executive Shares agree in writing and further that the following provisions are complied with in respect of the transfer:

15.1 A member, or person entitled to Shares by way of the death or bankruptcy of a member, who wishes to transfer Shares or any interest in Shares (the "Vendor") shall give to the Company notice in writing (the "Transfer Notice"). A Transfer Notice shall constitute the directors the Vendor's agents for the sale of the Shares specified in it (the "Sale Shares") at the Sale Price (as defined in article 15.2).

15.2 For the purposes of this article 15, the Sale Price shall be such sum (if any) as the Vendor shall agree in writing with the directors or failing agreement within twenty eight days of service of a Transfer Notice at the Fair Value (as defined in article 15.3) of the Sale Shares, as determined by the accountants of the Company (acting as experts and not as arbitrators).

15.3 The Fair Value of the Sale Shares shall be calculated as at the day the valuation is carried out or, in the case of a deemed Transfer Notice, as at the date of the relevant event (as defined in article 15.14) which resulted in such Transfer Notice being deemed to be given, on the following basis:

15.3.1 where the relevant event occurs within the period 24 months from the date of adoption of these articles and is for one of the reasons set out in article 15.14 then the Fair Value shall be the lower of the Sale Price and £1 per share.

15.3.2 if article 15.3.1 does not apply then the Fair Value shall be calculated by determining the sum which a willing purchaser on an arm's length basis would offer to a willing vendor for the whole of the issued share capital of the Company at the relevant time (taking into account the EBIT of the Company and its Group).

15.3.3 by taking the figure given by article 15.3.1 as determined by the accountants of the Company and dividing the resultant figure by the number of Shares in issue and then multiplying the resultant figure by the number of Sale Shares (and making a discount or enhancement by reference to the number of Sale Shares or the fact that the Sale Shares may constitute a minority holding in the issued share capital of the Company);

15.3.4 by assuming that the Sale Shares are capable of transfer without restriction,

15.3.5 by assuming that if the Company is carrying on business as a going concern, it will continue to do so,

15.3.6 by taking into account any offers which the Company may have received or may be considering in relation to any matters whatsoever which may affect the value of the Shares of the Company.

- 15 4 If accountants are required to determine the Fair Value of the Sale Shares then the accountants to be instructed will be a firm of chartered accountants agreed between the Vendor and the Company, or in default of agreement, on the reference of the Vendor or the Company, a firm of chartered accountants nominated by the President for the time being of the Institute of Chartered Accountants for England and Wales
- 15 5 The accountants' certificate shall be binding upon all parties save in the case of manifest error or fraud
- 15 6 If the accountants are asked to certify the Fair Value of the Sale Shares the Company shall within 7 days of the issue of the accountants' certificate send a copy to the Vendor. The Vendor shall be entitled, by notice in writing given to the Company within 28 days of the copy being sent to him, to withdraw the Transfer Notice. The cost of obtaining the certificate shall be borne in equal proportions by the Company and the Vendor. A Transfer Notice shall not otherwise be revocable without the consent of all the directors of the Company, who may impose such condition upon any consent as they think fit, including a condition that the Vendor bears all associated costs
- 15 7 Upon the Sale Price being agreed or certified and provided the Vendor does not withdraw the Transfer Notice in accordance with paragraph 15 6, the directors shall promptly, by notice in writing, offer the Sale Shares to the holders of the Executive Shares at the Sale Price pro rata to their existing holdings of such shares and shall in addition require the holders of such shares to indicate in writing whether they want more Sale Shares than their pro rata entitlement. The offer shall be open for a period of 28 days from the date of the notice (the "First Acceptance Period"). If any of the offerees within the First Acceptance Period apply for all or any of their pro rata share of the Sale Shares the directors shall allocate the Sale Shares or such of the Sale Shares as are applied for amongst the applicants for any of the Sale Shares, in the case of competition in proportion to their then existing holdings of such shares (as nearly as may be without involving fractions or increasing the number allocated to any applicant beyond that applied for by him). If, within the First Acceptance Period, applications are not received from the holders of the Executive Shares to purchase all the Sale Shares, then the directors will promptly by notice in writing offer the Sale Shares which have not been applied for to the Company for the Company to purchase such Sale Shares. The offer to the Company will be open for a period of 28 days from the date of notice (the "Second Acceptance Period"). If the Company within the Second Acceptance Period applies for all or any of such Sale Shares, the directors shall allocate the Sale Shares applied for to the Company
- 15 8 If, within the First Acceptance Period and the Second Acceptance Period, applications are received from the other holders of Shares and/or the Company (the "Transferees") in respect of some or all of the Sale Shares, the directors shall promptly give notice in writing (the "Acceptance Notice") to the Vendor specifying the number of Sale Shares applied for and the place and time (being not earlier than 7 days and not later than 28 days after the date of the Acceptance Notice) at which the sale shall be completed. If only some of the Sale Shares are applied for following the end of the Second Acceptance Period, the Vendor shall within 7 days of receipt of the Acceptance Notice serve written notice on the Company indicating whether or not he wishes to sell the Sale Shares applied for. If the Vendor fails to serve such a

notice on the Company, the Vendor shall be deemed to have agreed to the sale of the Sale Shares

- 15 9 If, within the First Acceptance Period and/or the Second Acceptance Period, all the Sale Shares are applied for, or (if only some of the Sale Shares are applied for) subject to an Acceptance Notice the Vendor agrees or is deemed to agree to transfer the Sale Shares which are the subject of the Acceptance Notice the Vendor shall be bound to transfer the Sale Shares which are the subject of the Acceptance Notice to the Transferees at the time and place specified in the Acceptance Notice and payment of the Sale Price for the Sale Shares shall be made to the directors as agents for the Vendor. If the Vendor fails to transfer the Sale Shares, the chairman of the Company or some other person appointed by the directors shall be deemed to have been appointed attorney of the Vendor with full power to execute, complete and deliver in the name and on behalf of the Vendor, transfers of the Sale Shares to the Transferees against payment of the Sale Price, to the Company. On payment to the Company, the Transferees shall be deemed to have obtained a good discharge for this payment. On execution and delivery of the transfers, the Transferees shall be entitled to require their names to be entered in the register of members as the holders by transfer of the Sale Shares
- 15 10 If the holders of the remaining Shares referred to in paragraph 15 7 and/or the Company declines to purchase any or all of the Sale Shares then the Vendor shall be at liberty during the period of 6 months following the expiry of the Second Acceptance Period to transfer all (but not some only) of the remaining Sale Shares to any person at the Sale Price or any higher or lower price provided always that the directors may require to be satisfied that the Sale Shares are being transferred pursuant to a bona fide sale on arm's length terms for the consideration stated and if not satisfied, the directors may refuse to register the relevant transfer and provided further that the directors may decline to register a transfer of a share to any person whom they reasonably believe in their absolute discretion to be a competitor or potential competitor of the Company
- 15 11 If the Sale Shares transferred to the Transferees or to a third party in accordance with the provisions of this article comprise of the Vendor's entire holding of Shares, then the Vendor shall procure that he shall resign as a director from the board of the Company
- 15 12 Notwithstanding the above, the directors may decline to register a transfer of a share on which the Company has a lien
- 15 13 The restrictions on transfer contained in this article shall not apply to
- 15 13 1 a transfer approved in advance and in writing by the holder or holders of at least 70% of the Executive Shares,
- 15 13 2 where approved in advance and in writing by the holder or holders of at least 70% of the Executive Shares, a transfer by a corporate member (the "transferor company") to an associated company (the "transferee company") (that is to say, a holding company or wholly-owned subsidiary of the transferor company and any other wholly-owned subsidiary of any holding company). If the transferor company and the transferee company cease to be associated, the transferee company shall be deemed to have

given a Transfer Notice immediately prior to that event in respect of all Shares transferred to it unless it re-transfers the Shares to the transferor company,

15 13 3 where approved in advance and in writing by the holder or holders of at least 70% of the Executive Shares, a transfer by a corporate member to a company formed to acquire the whole or a substantial part of its undertaking and assets as part of a scheme of amalgamation or reconstruction,

15 13 4 a Drag Along Option which has been served in accordance with article 16 4,

15 13 5 where approved in advance and in writing by the holder or holders of at least 70% of the Executive Shares, a transfer by a member to any of his Family Members or Family Trusts,

15 13 6 where approved in advance and in writing by the holder or holders of at least 70% of the Executive Shares, a transfer by a Family Trust to a beneficiary of a Family Trust who is a Family Member of the member, or the member,

15 13 7 where approved in advance and in writing by the holder or holders of at least 70% of the Executive Shares, a transfer by a Family Member to a member

It must be proved to the reasonable satisfaction of the directors that the transfer bona fide falls within one of these exceptions

15 14 For the purposes of this article the following shall be deemed to be a relevant event and such relevant events shall only apply to the holders of Ordinary Shares in the Company

15 14 1 a direction (by way of renunciation, nomination or otherwise) by a member entitled to an allotment or transfer of Shares to the effect that all or any of the Shares be allotted, issued or transferred to some person other than himself,

15 14 2 a sale or other disposition of any beneficial interest in a share (whether or not for consideration) by a member otherwise than in accordance with the above provisions and whether or not made in writing,

15 14 3 a corporate member entering into liquidation (other than a members' voluntary liquidation for the purpose of reconstruction or amalgamation) or an administrative receiver or a receiver being appointed over any of its assets or an administration order being made against it,

15 14 4 the bankruptcy of a member,

15 14 5 the death of a member,

15 14 6 where a person who was a Family Member of a member or former member ceases to be a Family Member of a member or former member.

15 14 7 a member who ceases to be an employee of or consultant to the Company or any company in the Group for any reason

The Transfer Notice shall be deemed to relate to all the Shares held by the member referred to

- 15 15 If a relevant event occurs in relation to a member, he shall be deemed to have given a Transfer Notice in respect of all shares of each class held by him and all his Family Members, Family Trusts of which his Family Members are actual, potential or contingent beneficiaries and bodies corporate controlled by him and/or his Family Members and/or the aforesaid Family Trusts or by any nominee of him or any such person shall also be deemed to have served a Transfer Notice in respect of all Shares held by them immediately prior to the event
- 15 16 If a corporate member ceases to be controlled by the person who at the time when it became a member had control, the member shall be deemed immediately prior to that event to have served a Transfer Notice in respect of all the Shares held by it, unless all the other members otherwise agree in writing. For the purposes of this paragraph, a person shall be deemed to have control of a corporation if the corporation is a subsidiary of that person or would have been a subsidiary if that person had itself also been a corporation
- 15 17 Where any Transfer Notice is deemed to have been given by such paragraphs 15 15 and 15 16, paragraph 15 6 of this article shall not apply in so far as it entitles the Vendor to withdraw the Transfer Notice Where a member gives a Transfer Notice in circumstances where a Transfer Notice would otherwise be deemed to have been given by him, he shall not be entitled to withdraw it
- 15 18 For the purpose of ensuring that a transfer of Shares is duly authorised, or that no circumstances have arisen whereby a Transfer Notice is deemed to have been given, the directors may require a member, the legal representatives of a deceased member, the liquidator of a corporate member or a person named as transferee in a transfer lodged for registration to furnish to the Company such information and evidence as the directors think fit regarding any matter they deem relevant to that purpose If the information or evidence is not furnished to the satisfaction of the directors within a reasonable time after the request, the directors shall be entitled to refuse to register the transfer in question In a case where no transfer is in question or if the information or evidence discloses that a Transfer Notice ought to be given in respect of any Shares, the directors shall be entitled within a reasonable time to require, by notice in writing given to the registered holder, that a Transfer Notice be given in respect of the Shares concerned A director who is, or is nominated by, the Vendor or the holder of the Shares concerned shall not be entitled to vote at any board meeting at which a resolution considering the registration of a transfer or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the Shares concerned is proposed If the directors require that a Transfer Notice be given and it is not duly given within one month from the date of its being required, the Transfer Notice shall be deemed to have been given at the expiration of the month and the provisions of this article shall take effect accordingly

- 15.19 If a Transfer Notice is deemed to be served pursuant to article 15 15, the Shares which are the subject of such Transfer Notice shall be valued in accordance with the procedure set out in articles 15 2 to 15 6 (inclusive)

TAG ALONG RIGHTS

16

- 16 1 Without prejudice to article 16 4, no sale or transfer or other disposition of any interest in any Equity Share Capital shall have any effect if as a result of such disposition a Controlling Interest would be obtained in the Company by a person or persons who are not members (the "Third Party Purchaser") unless before the sale, transfer or other disposition takes effect either
- 16 1 1 the Third Party Purchaser has made a bona fide offer in connection with this article to purchase at the specified price (defined in article 16 3) all the Equity Share Capital held by the members in the Company (except any member who has expressly waived his right to receive such an offer for the purpose of this article), or
- 16 1 2 a Drag Along Option has been served in accordance with article 16.4
- 16 2 An offer made under article 16 1 shall be in writing, open for acceptance for at least 21 days or, if later, 7 days after determination under article 16 3 2, and shall be deemed to be rejected by any member who has not accepted in accordance with its terms
- 16.3 For the purposes of articles 16 1 and 16 4.3
- 16 3 1 the expression "specified price" means the price per share equal to the highest price paid, payable or offered by the Third Party Purchaser or persons acting in concert with him or connected with him for any Shares in the Company within the last 6 months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified Shares,
- 16 3 2 in the event of disagreement as to the specified price, its calculation shall be referred to the accountants of the Company (acting as experts and not arbitrators) for determination whose decision shall be final and binding in the absence of manifest error

DRAG ALONG

- 16 4 If the holders of at least 70% in nominal value of the Executive Shares in issue for the time being (the "Selling Shareholders") wish to transfer all or part of their interest in Equity Share Capital (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 the other holders of Equity Share Capital (the "Called Shareholders") to sell and transfer all their Shares to the Third

Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of this article

- 16 4 1 The Selling Shareholders may exercise the Drag Along Option by giving 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 their Equity Share Capital (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.
- 16 4 2 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.
- 16 4 3 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall, at the option of the Selling Shareholders, be either
 - 16 4 3 1 the specified price (defined in article 16 3), or
 - 16 4 3 2 any other consideration certified by the Company's accountants as being no less favourable than the specified price.
- 16 4 4 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
 - 16 4 4 1 all of the Called Shareholders and the Selling Shareholders agree otherwise, or
 - 16 4 4 2 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.
- 16 4 5 The rights of pre-emption on transfer of Shares 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.
- 16 4 6 If any holder of Equity Shares does not on completion of the sale of Called Shares execute transfer(s) in respect of all the Called 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 and 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 he may direct) and the directors shall forthwith register the Third Party Purchaser (or as he may

direct) as the holder thereof and, after the Third Party Purchaser (or his 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.

- 16.4.7 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire Shares in the Company (a "New Member"), a Drag Along Notice shall be deemed to have been served upon the New Member 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 Member save that completion of the sale of such Shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member.

INTERPRETATION

- 16.5 In this article 16, whether or not persons are acting in concert will be determined by the then most recent edition of the City Code on Takeovers and Mergers.

GENERAL MEETINGS

- 17 The powers of consolidation, division, sub-division and cancellation of the share capital of the Company conferred by regulations 32(b), (c) and (d) of Table A shall be exercised by special resolution.
- 18 No business shall be transacted at any general meeting unless the requisite quorum is present. One member holding Executive Shares present in person or by proxy (or, in the case of a corporate member, by representative) shall be a quorum for all purposes. Where all the holders of a class have waived in writing the quorum requirement in relation to that class, the waiver shall be effective for the meeting or particular business, or otherwise, as specified in the waiver.
- 19 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting shall stand adjourned to the same day (or, if that day is a holiday, to the next following working day) in the next week but one and at the same time and place or to such other date, time and place as the directors determine (not being more than 30 days nor less than 10 days after the date appointed for the general meeting unless agreed by the holders of not less than nine tenths in nominal value of the Shares entitled to vote at the meeting). If, at the adjourned meeting, a quorum of one member holding Executive Shares is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
- 20 Where a meeting is adjourned under article 19 for 10 days or more, not less than 7 days' notice of the adjourned meeting shall be given as in the case of an original meeting.

DIRECTORS

- 21 The directors shall, unless otherwise determined in advance and in writing by resolution of the holder or holders of at least 70% of the Executive Shares, be not more than 1 in number.

- 22 The holders of not less than 70% of the Executive Shares shall be entitled to appoint a director to the board and remove such director and the sole Director holding office at the date of adoption of these articles shall be Neil Joseph McKay
- 23 An appointment or removal shall be made in writing under the hands of the holders for the time being of the Executive Shares in whom the power of appointment or removal is vested, or their duly authorised agents, and shall take effect on and from the date on which notice in writing of it is lodged at the registered office of the Company or delivered to the secretary or to a meeting of the directors
- 24 Regulation 82 of Table A shall be amended by the addition of the following
- The remuneration shall be divided amongst the directors in such proportions and manner as a majority of the directors determine or in default of a determination equally, except that any director holding office for less than a year or other period for which remuneration is paid shall rank in the division in proportion to the fraction of the year or other period during which he held office A director who, at the request of the directors, performs special services or goes or resides abroad for any purpose of the Company may receive such extra remuneration by way of salary, commission or participation in profits, or partly in one way and partly in another, as the directors determine
- 25 A director does not require a shareholding qualification, but is nevertheless entitled to notice of and to attend and speak at any general meeting

POWERS AND DUTIES OF DIRECTORS

- 26 Subject to the provisions of the Act, a director may contract with and participate in the profits of any contract or arrangement with the Company as if he were not a director. A director may vote in respect of the contract or arrangement, where he has previously disclosed his interest to the Company, or in respect of his appointment to any office or place of profit under the Company He may also be counted in the quorum at any meeting at which the matter is considered

ALTERNATE DIRECTORS

- 27 A director (other than an alternate director) may appoint any person to be an alternate director and may remove from office an alternate director appointed by him When an alternate director is also a director or acts as an alternate director for more than one director, he shall have one vote for every director represented by him (in addition to his own vote if he is himself a director) When acting, he shall be considered as two directors for the purpose of making a quorum if the quorum exceeds two

DISQUALIFICATION OF DIRECTORS

- 28 Regulation 81 of Table A shall be amended by substituting the following for paragraphs (c) and (e)
- (c) he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director, or
- (e) he is otherwise removed from office

A director shall not be required to vacate his office or be ineligible for re-election, and no person shall be ineligible for appointment as a director, by reason only of his attaining or having attained any particular age

PROCEEDINGS OF DIRECTORS

- 29 Regulation 88 of Table A shall be amended by substituting for the sentence

It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom

the following sentence(s)

Notice of every meeting of directors shall be given to each director, including directors who are absent from the United Kingdom and have given the Company their address outside the United Kingdom Directors who are absent from the United Kingdom shall be entitled to receive 10 days notice of every meeting

- 30 The quorum necessary for the transaction of business at any meeting of the directors is one director Regulation 89 of Table A shall be amended accordingly

- 31 The words "of filling vacancies, or" shall be omitted from regulation 90 of Table A

- 32 A meeting of the directors may, subject to notice thereof having been given to all directors, be for all purposes deemed to be held when a director is or directors are in communication by telephone or audio visual communications media with another director or other directors and all of the said directors agree to treat the meeting as so held, provided always that the number of the said directors participating in such communication constitutes a quorum of the board A resolution made by the said directors in pursuance of this article shall be valid as it would have been if made by them at an actual meeting duly convened and held

CAPITALISATION OF PROFITS

- 33 The words "special resolution" shall be substituted for the words "ordinary resolution" in regulation 110 of Table A

NOTICES

- 34 Any notice required by these articles to be given by the Company may be given by any visible form on paper, including telex, facsimile and electronic mail A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed Regulations 111 and 112 of Table A shall be amended accordingly

INDEMNITY

- 35 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director, secretary, auditor or other officer of the Company is entitled to be indemnified by the Company against all losses and liabilities sustained or incurred by him in the execution of his duties or in the exercise of his powers or otherwise in connection with his office, including any liability incurred by him

- 35 1 in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or which are otherwise disposed of without any finding or admission of any material breach of duty on his part, or
- 35 2 in connection with any application in which relief is granted to him by the court from liability in respect of any act or omission done or alleged to be done by him as an officer or employee of the Company The Company may purchase and maintain for any person to whom this article applies insurance against any liability in respect of which he is entitled to be indemnified