

Company number 09812822

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

BRIDGE PROJECT ONE LIMITED ("Company")

21st December 2015 ("Circulation Date")



Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolutions 1 and 2 below are passed as ordinary resolutions and resolution 3 is passed as a special resolution (the **Resolutions**)

ORDINARY RESOLUTIONS

- 1 THAT, each existing Ordinary share of £1 each in the issued share capital of the Company be sub-divided into 10 Ordinary shares of £0 10 each
- 2 THAT, subject to resolutions 1 and 3 being passed, each of the issued Ordinary shares of £0 10 each in the capital of the Company be and is hereby re-designated as an Ordinary A share of £0 10 in the capital of the Company having the rights and being subject to the restrictions set out in the articles of association adopted pursuant to resolution 3

SPECIAL RESOLUTION

- 3 THAT the draft articles attached to these Resolutions be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

AGREEMENT

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

The undersigned, a person entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agrees to the Resolutions

Signed by **Robert Stubbs**

Date 21/12/2015

A handwritten signature in black ink, followed by the date "21/12/2015" written in a similar cursive style.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BRIDGE PROJECT ONE LIMITED

Company registered in England & Wales with number 09812822

(Adopted by special resolution passed on 21st December 2015)

INTRODUCTION

1. Interpretation

1 1 In these Articles, unless expressly provided otherwise, the following words have the following meanings

"Act"	the Companies Act 2006,
"Adoption Date"	the date of adoption of these Articles,
"Articles"	the Company's articles of association for the time being in force,
"Available Profits"	profits available for distribution within the meaning of part 23 of the Act,
"Business Day"	any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,
"Call"	has the meaning given to it in <i>article 26 4</i> ,
"Call Notice"	has the meaning given to it in <i>article 26 4</i> ,
"Chairman"	has the meaning given to it in <i>article 6 4</i> ,
"Companies Acts"	has the meaning given to it in the Act,
"Company"	means Bridge Project One Limited (Company number 09812822),
"connected"	has the meaning given in section 252 of the Act,
"Deemed Transfer Notice"	a Transfer Notice which is deemed to have been served by any of the provisions of these Articles,

"Directors"	the directors of the Company from time to time,
"Eligible Director"	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter),
"Fair Value"	has the meaning given in <i>article 20 2</i> ,
"Family Trust"	as regards any particular individual Shareholder (or deceased or former individual Shareholder) trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons),
"Financial Year"	an accounting reference period (as defined in section 391 of the Act) of the Company,
"Group"	the Company and its subsidiaries (if any) from time to time and "Group Company" shall be construed accordingly,
"holding company"	has the meaning given in section 1159 of the Act,
"Independent Expert"	the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 10 Business Days of the expiry of the 20 Business Day period referred to in <i>article 20 1</i> , an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator),
"Lien Enforcement Notice"	means a notice in writing which complies with the requirements of <i>article 26 3 2</i> ;

"Member of the Same Group"	as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company or any company owned or majority owned by the majority shareholder of such company (direct or indirect) or any related party,
"Model Articles"	the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date,
"Ordinary Shares"	the Ordinary A Shares and the Ordinary B Shares,
"Ordinary A Directors"	has the meaning given in <i>article</i> 6 1,
"Ordinary A Shares"	the ordinary A shares of £0 10 each in the capital of the Company,
"Ordinary A Shareholder"	a holder for the time being of Ordinary A Shares,
"Ordinary A Shareholder Majority"	the holders for the time being of a majority of the Ordinary A Shares in issue,
"Ordinary A Shareholder Majority Consent"	the prior written approval of the Ordinary A Shareholder Majority,
"Ordinary B Shares"	the ordinary B shares of £1 each in the capital of the Company,
"Ordinary B Shareholder"	a holder for the time being of Ordinary B Shares,
"Original Shareholder"	has the meaning given in <i>article</i> 18 1,
"Permitted Transfer"	a transfer of Shares made in accordance with <i>article</i> 18,
"Permitted Transferee"	in relation to (a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust, and (b) a Shareholder which is a company, a Member of the Same Group as that company
"Privileged Relation"	in relation to a Shareholder who is an individual Shareholder (or a deceased or former individual Shareholder) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue),

"Relevant Securities"	any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than any Shares or other securities issued in consideration of the acquisition by the Company of any company or business or assets which has Ordinary A Shareholder Majority Consent,
"Restricted Shares"	has the meaning given in <i>article 21 3</i> ,
"Sale Shares"	has the meaning given in <i>article 19 2 1</i> ,
"Seller"	has the meaning given in <i>article 19 2</i> ,
"Shareholder"	a holder for the time being of any Share or Shares,
"Shares"	shares (of any class) in the capital of the Company and "Share" shall be construed accordingly,
"Share Sale"	the sale of (or the grant of a right to acquire or to dispose of) all the Shares in the Company (in one transaction or a series of linked transactions), except where the shareholders and the proportion of shares held by each of them in the buyer following completion of the sale are the same as the Shareholders and their respective proportionate shareholdings in the Company immediately before the sale,
"subsidiary"	in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company,
"Transfer Notice"	has the meaning given in <i>article 19 2</i> , and
"Transfer Price"	has the meaning given in <i>article 20</i>

1 2 A reference in these Articles to

1 2 1 an **Article** is a reference to the relevant numbered article of these Articles, and

1 2 2 a **model article** is a reference to the relevant article,

unless expressly provided otherwise

1 3 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same

meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date)

1 4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

1 5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa

1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

1 6 1 any subordinate legislation from time to time made under it, and

1 6 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

2. Adoption of the Model Articles

2 1 The Model Articles (together with those provisions of Schedule 3 to The Companies (Model Articles) Regulations 2008 (S/ 2008/3229) referred to in article 26) shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation

2 2 Model articles 7, 8, 9(1), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 22, 26(5), 38, 39, 49, and 51 to 53 (inclusive) shall not apply to the Company

2 3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur"

2 4 In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"

2 5 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"

DIRECTORS

3. Number of directors

Unless otherwise determined by the Ordinary A Share Majority, the number of Directors shall not be less than one

4. Proceedings of directors

4 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with *article 4 2* (subject to *article 4 3* and *article 4 4*) All decisions made at any meeting of the

Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes (subject as set out in clause 4.6). Save to the extent required to be taken by the Shareholders, all decisions relating to the business of the Company shall be taken by the Board of Directors and will require and are subject to Ordinary A Shareholder Majority Consent

- 4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter
- 4.3 A decision taken in accordance with *article* 4.2 may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing
- 4.4 A decision may not be taken in accordance with *article* 4.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with *article* 4.6 and *article* 4.8
- 4.5 Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. At least 5 Business Days' advance notice of each such meeting shall be given to each Director (except with the prior consent of all Directors, when meetings of the Directors may take place less frequently or on shorter notice)
- 4.6 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be any one or more Eligible Director who must be the holder(s) (or the representatives of the holder(s)) of the majority of the Ordinary A Shares provided that all decisions taken at any meetings of the Directors (and/or any committee thereof) require and are subject to Ordinary A Shareholder Majority Consent in each case
- 4.7 If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall be adjourned again to such time and place as the Directors determine
- 4.8 For the purposes of any meeting (or part of a meeting) held pursuant to *article* 8 to authorise a Conflict (as defined in *article* 8.1), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director subject to Ordinary A Shareholder Majority Consent
- 4.9 If the number of Directors in office for the time being is less than the quorum required, the Director(s) in office must not take any decision other than a decision to
- 4.9.1 appoint further Directors, or
- 4.9.2 call a general meeting so as to enable the Shareholders to appoint further Directors
- 4.10 Questions arising at any meeting of the Directors shall be decided by a majority of votes provided that the directors appointed by the Ordinary A Shareholder Majority will be deemed to have such number of votes in aggregate as constitute a majority

of the votes at any such meeting and all decisions will be subject to and require Ordinary A Shareholder Majority Consent

- 4 11 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye

5. Appointment and removal of directors

- 5 1 Model article 17(1) shall be modified by the inclusion, at the end of that model article, of the words "provided that the appointment does not cause the number of Directors to exceed any maximum number set out in these Articles"

- 5 2 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director

5 2 1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve with Ordinary A Shareholder Majority Consent that he cease to be a Director,

5 2 2 (in the case of a Director who is not an Ordinary A Director) a majority of the other Directors resolve with Ordinary A Shareholder Majority Consent that he cease to be a Director,

6. Ordinary A Directors and Chairman

- 6 1 The Ordinary A Shareholder Majority have the right to appoint, by notice in writing addressed to the Company, and to maintain in office, three or more persons as Directors (the "Ordinary A Directors") and to remove any such Ordinary A Director and to appoint replacements. The first Ordinary A Director will be Robert Stubbs. Save as set out in the previous sentences of this Article 6 1 and notwithstanding anything else in these Articles, no directors of the Company may be appointed or removed without Ordinary A Shareholder Majority Consent. For the avoidance of doubt, nothing in this Article will limit the right of the Ordinary A Shareholder Majority as shareholders to appoint further directors of the Company under the Act.

- 6 2 Any appointment or removal of an Ordinary A Director made in accordance with *article* 6 1 shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.

- 6 3 Each Ordinary A Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that the Ordinary A Director(s) shall be appointed as directors of any other Group Company, to the extent specified in such request.

- 6 4 The Directors may, with Ordinary A Shareholder Majority Consent, appoint any person as chairman of the board of Directors ("Chairman") and may, with Ordinary A Shareholder Majority Consent, remove and replace any such Chairman. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Ordinary A Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting. In the absence of any Ordinary A Director the meeting will be adjourned.

7. Transactions or other arrangements with the Company

7 1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts and subject to Ordinary A Shareholder Majority Consent, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

7 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

7 1 2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,

7 1 3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,

7 1 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,

7 1 5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

7 1 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

8. Directors' conflicts

8 1 The Directors may, in accordance with the requirements set out in this *article* 8 and subject to Ordinary A Shareholder Majority Consent, authorise any matter or situation or transaction proposed to them by any Director which would, if not authorised, involve a Director (an "Interested Director") breaching his duty under section 175 of the Act to avoid conflicts of interest ("Conflict")

8 2 Any authorisation under this *article* 8 will be effective only if

8 2 1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under

- the provisions of these Articles or in such other manner as the Directors may determine,
- 8 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
- 8 2 3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 8 3 Any authorisation of a Conflict under this *article* 8 may (whether at the time of giving the authorisation or subsequently)
- 8 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- 8 3 2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict,
- 8 3 3 subject to Ordinary A Shareholder Majority Consent, provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict,
- 8 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,
- 8 3 5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
- 8 3 6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters
- 8 4 Where the Directors authorise a Conflict in accordance with this Article 8, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict
- 8 5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 8 6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s) and/or companies owned in whole or in part by his appointor(s)) and a general authorisation under *article* 8 1 shall be treated as given in respect of any such interest

- 8 7 An Ordinary A Director shall be entitled from time to time to disclose to his appointor(s) (and to any Permitted Transferee of such appointor(s)) such information concerning the business and affairs of the Company as he shall at his discretion see fit
- 8 8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

9. Secretary

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors

SHARES AND DISTRIBUTIONS

10. Dividends

- 10 1 The Available Profits of the Company which the Company resolves to distribute shall be distributed between the Shareholders as set out in this *article* 10 (save for any reserves available for distribution following a reduction of the Company's share capital which will be applied as set out in *article* 12)
- 10 2 Any Available Profits which the Company resolves to distribute shall be paid as follows
- 10 2 1 first, any such proceeds shall be paid to the holders of the Ordinary Shares in issue (pari passu as if they constituted Shares of the same class) pro rata to their respective holdings of Ordinary Shares in issue until each holder of Ordinary Shares has received £1 for each Ordinary Share in issue held by him less any amounts actually previously received by that Shareholder by way of distribution in accordance with *article* 10 and/or under *articles* 12 and/or 13,
 - 10 2 2 second, any further such Available Profits (taking into account the Net Profits Reserve in addition for the purposes of this calculation) shall be paid as follows
 - (a) 60% in value of such Available Profits which the Company resolves to distribute less the Net Profits Reserve shall be paid to the holders of the Ordinary A Shares in proportion to the number of Ordinary A Shares held by each of them, and
 - (b) 40% in value of such Available Profits which the Company resolves to distribute shall be paid to the holders of the Ordinary B Shares in proportion to the number of Ordinary B Shares held by each of them

Where the Company agrees to pay any share(s) of net profits from film(s) produced by any Group Company to any cast and/or crew and/or writers of such film(s) (other than as the holders of Ordinary B Shares) then save where any such cast and/or crew and/or writers are issued Ordinary A Shares in respect of any such share(s), the total amount of any such share(s) of such net profits at the relevant time will be the "Net Profits Reserve". In the event that the Ordinary A Shareholder Majority resolve to issue Ordinary B Shares for an aggregate subscription price of less than an amount equal to the full final production cost of the films produced and/or to be produced by any Group Company(ies) then the percentage of such further proceeds payable to the holders of the Ordinary B Shares under this article 10 2 2 will be reduced on a pro-rata basis and the percentage of such further proceeds payable to the holders of the Ordinary A Shares increased by the same amount such that such holders of Ordinary A Shares remain entitled to at least 60% of the gross amounts received by the Company in excess of those required to satisfy the payments under clause 10 2 1 (less the Net Profits Reserve). If any Ordinary B Shares are bought back and/or cancelled by the Company then unless the Ordinary A Shareholder Majority determine otherwise, the percentage of such further proceeds payable to the holders of the remaining Ordinary B Shares in issue under clause 10 2 2 will be reduced by the same percentage as the number of Ordinary B Shares bought back and/or cancelled bears to the total number of Ordinary B Shares originally in issue and the percentage of such proceeds payable to the holders of the Ordinary A Shares will be increased proportionately. For the avoidance of doubt, where the Company has agreed to pay any share(s) of net profits from film(s) produced by any Group Company to any cast and/or crew and/or writers of such film(s) (other than as the holders of Ordinary B Shares) and where any such cast and/or crew and/or writers are issued Ordinary A Shares in respect of any such share(s) then to the extent they receive any share(s) of net profits other than as the holders of Ordinary A Shares, their entitlement hereunder as the holder(s) of Ordinary A Shares will be reduced accordingly (as between the holders of the Ordinary A Shares) and treated as being part of the Net Profits Reserve.

11. Sale of Shares

11 1 The proceeds of a Share Sale shall be applied (to the extent that the Company is lawfully able to do so and pro rata to the extent that not all the Shares are sold depending on the number of Ordinary A Shares and Ordinary B Shares being sold) in the following order of priority

11 1 1 first, any such proceeds shall be paid to the holders of the Ordinary Shares sold (*pari passu* as if they constituted Shares of the same class) pro rata to their respective holdings of Ordinary Shares sold until each holder of Ordinary Shares sold has received £1 or each Ordinary Share sold by him less any amounts actually previously received by that Shareholder in respect of such Ordinary Shares sold by way of distribution in accordance with *article 10* and/or under *articles 12* and/or *13*,

11 1 2 second, any further such proceeds (taking into account the Net Profits Reserve valuation in addition for the purposes of this calculation) shall be paid as follows

- (a) 60% in value of such further proceeds (less an amount representing the Company's Net Profits Reserve obligation in the context of the valuation of the Shares sold as agreed by the Ordinary A Shareholder Majority acting reasonably) shall be paid to the holders of the Ordinary A Shares sold in proportion to the number of Ordinary A Shares sold by each of them, and
- (b) 40% in value of such further proceeds shall be paid to the holders of the Ordinary B Shares sold in proportion to the number of Ordinary B Shares sold by each of them

Where the Company agrees to pay any share(s) of net profits from film(s) produced by any Group Company to any cast and/or crew and/or writers of such film(s) (other than as the holders of Ordinary B Shares) then save where any such cast and/or crew and/or writers are issued Ordinary A Shares in respect of any such share(s), the total amount of any such share(s) of such net profits at the relevant time will be the "Net Profits Reserve". In the event that the Ordinary A Shareholder Majority resolve to issue Ordinary B Shares for an aggregate subscription price of less than an amount equal to the full final production cost of the films produced and/or to be produced by any Group Company(ies) then the percentage of such further proceeds payable to the holders of the Ordinary B Shares under this article 11 1 2 will be reduced on a pro-rata basis and the percentage of such further proceeds payable to the holders of the Ordinary A Shares increased by the same amount such that such holders of Ordinary A Shares remain entitled to at least 60% of the gross amounts received by the Company in excess of those required to satisfy the payments under clause 11 1 1 (less the Net Profits Reserve). If any Ordinary B Shares are bought back and/or cancelled by the Company then unless the Ordinary A Shareholder Majority determine otherwise, the percentage of such further proceeds payable to the holders of the remaining Ordinary B Shares in issue under clause 11 1 2 will be reduced by the same percentage as the number of Ordinary B Shares bought back and/or cancelled bears to the total number of Ordinary B Shares originally in issue and the percentage of such proceeds payable to the holders of the Ordinary A Shares will be increased proportionately. If not all the Ordinary A Shares and Ordinary B Shares are being sold, the total consideration paid by the relevant purchaser(s) shall be distributed to the holders of the Ordinary A Shares and Ordinary B Shares being transferred in accordance with the provisions of this article 11 1 but on a pro-rata basis (including without limitation pro-rating the 60%/40% proportions of further proceeds payable as between the Ordinary A Shares and Ordinary B Shares) depending on the number of Ordinary A Shares and Ordinary B Shares being sold as a proportion of the total number of issued shares of that class and the holders of Ordinary B Shares will not receive any share of proceeds payable in respect of the sale of Ordinary A Shares. For the avoidance of doubt, where the Company has agreed to pay any share(s) of net profits from film(s) produced by any Group Company to any cast and/or crew and/or writers of such film(s) (other than as the holders of Ordinary B Shares) and where any such cast and/or crew are issued Ordinary A Shares in respect of any such share(s) then to the extent they receive any share(s) of net profits other than as the holders of Ordinary A Shares, their entitlement hereunder as the holder(s) of Ordinary A Shares will be reduced accordingly (as between the holders of the Ordinary A Shares) and treated as being part of the Net Profits Reserve.

11 2 The Directors shall not register any transfer of Shares if the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale ("**Sale Proceeds**") is not distributed in the manner set out in *article 11 1* provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale

11 2 1 the Directors may register the transfer of the relevant Shares, provided that the proportion of the Sale Proceeds due on the date of completion of the Share Sale (if any) have been distributed in the order of priority set out in *article 11 1*, and

11 2 2 each Shareholder shall take any action (to the extent lawful and within its control) required by an Ordinary A Shareholder Majority to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in *article 11 1*

12. Reduction of Capital

12 1 The proceeds of a reduction of capital or other return of assets (including any reserves available for distribution following a reduction of the Company's share capital and any purchase of Shares by Company from capital but save as provided in *article 13*) shall be applied (to the extent that the Company is lawfully able to do so and pro rata (including on the basis of the 60%/40% proportions where 12 1 2 below applies) to the extent that the capital of not all the Shares is reduced) in the following order of priority

12 1 1 first, any such proceeds shall be paid to the holders of the Ordinary Shares in issue (*pari passu* as if they constituted Shares of the same class) pro rata to their respective holdings of Ordinary Shares in issue until each holder of Ordinary Shares has received £1 for each Ordinary Share in issue held by him less any amounts actually previously received by that Shareholder in accordance with *article 10* and/or under *article 12* and/or *13*,

12 1 2 second, any further such proceeds (taking into account the Net Profits Reserve in addition for the purposes of this calculation) shall be paid as follows

(a) 60% in value of such further proceeds less the Net Profits Reserve shall be paid to the holders of the Ordinary A Shares in proportion to the number of Ordinary A Shares held by each of them, and

(b) 40% in value of such further proceeds shall be paid to the holders of the Ordinary B Shares in proportion to the number of Ordinary B Shares held by each of them

Where the Company agrees to pay any share(s) of net profits from film(s) produced by any Group Company to any cast and/or crew and/or writers of such film(s) (other than as the holders of Ordinary B Shares) then save where any such cast and/or crew and/or writers are issued Ordinary A Shares in respect of any such share(s), the total amount of any such share(s) of such net profits at the relevant time will be the "Net Profits Reserve" In the event that the Ordinary A Shareholder Majority resolve to issue Ordinary B Shares for an aggregate subscription price of less than an amount equal to the full final production cost of the films produced and/or

to be produced by any Group Company(ies) then the percentage of such further proceeds payable to the holders of the Ordinary B Shares under this article 12 1 2 will be reduced on a pro-rata basis and the percentage of such further proceeds payable to the holders of the Ordinary A Shares increased by the same amount such that such holders of Ordinary A Shares remain entitled to at least 60% of the gross amounts received by the Company in excess of those required to satisfy the payments under clause 12 1 1 (less the Net Profits Reserve) If any Ordinary B Shares are bought back and/or cancelled by the Company then unless the Ordinary A Shareholder Majority determine otherwise, the percentage of such further proceeds payable to the holders of the remaining Ordinary B Shares in issue under clause 12 1 2 will be reduced by the same percentage as the number of Ordinary B Shares bought back and/or cancelled bears to the total number of Ordinary B Shares originally in issue and the percentage of such proceeds payable to the holders of the Ordinary A Shares will be increased proportionately For the avoidance of doubt, where the Company has agreed to pay any share(s) of net profits from film(s) produced by any Group Company to any cast and/or crew and/or writers of such film(s) (other than as the holders of Ordinary B Shares) and where any such cast and/or crew and/or writers are issued Ordinary A Shares in respect of any such share(s) then to the extent they receive any share(s) of net profits other than as the holders of Ordinary A Shares, their entitlement hereunder as the holder(s) of Ordinary A Shares will be reduced accordingly (as between the holders of the Ordinary A Shares) and treated as being part of the Net Profits Reserve

13. Liquidation

13 1 On a return of assets on liquidation or winding up (and not on a reduction of capital or otherwise under Article 12), the assets of the Company remaining after the payment of its liabilities shall be paid (to the extent that the Company is lawfully able to do so) to the holders of all Shares in the following order of priority

13 1 1 first, any such assets shall be paid to the holders of the Ordinary Shares in issue (*pari passu* as if they constituted Shares of the same class) *pro rata* to their respective holdings of Ordinary Shares in issue until each holder of Ordinary Shares has received £1 for each Ordinary Share in issue held by him less any amounts actually previously received by that Shareholder in accordance with *article 10* and/or under *article 12* and/or this *article 13*,

13 1 2 second, any further such assets (taking into account the Net Profits Reserve in addition for the purposes of this calculation) shall be paid as follows

- (a) 60% in value of such further assets less the Net Profits Reserve shall be paid to the holders of the Ordinary A Shares in proportion to the number of Ordinary A Shares held by each of them, and
- (b) 40% in value of such further assets shall be paid to the holders of the Ordinary B Shares in proportion to the number of Ordinary B Shares held by each of them

Where the Company agrees to pay any share(s) of net profits from film(s) produced by any Group Company to any cast and/or crew and/or writers of such film(s) (other than as the holders of Ordinary B Shares) then save

where any such cast and/or crew and/or writers are issued Ordinary A Shares in respect of any such share(s), the total amount of any such share(s) of such net profits at the relevant time will be the "Net Profits Reserve" In the event that the Ordinary A Shareholder Majority resolve to issue Ordinary B Shares for an aggregate subscription price of less than an amount equal to the full final production cost of the films produced and/or to be produced by any Group Company(ies) then the percentage of such further assets payable to the holders of the Ordinary B Shares under this article 13 1 2 will be reduced on a pro-rata basis and the percentage of such further assets payable to the holders of the Ordinary A Shares increased by the same amount such that such holders of Ordinary A Shares remain entitled to at least 60% of the gross amounts received by the Company in excess of those required to satisfy the payments under clause 13 1 1 (less the Net Profits Reserve) If any Ordinary B Shares are bought back and/or cancelled by the Company then unless the Ordinary A Shareholder Majority determine otherwise, the percentage of such further assets payable to the holders of the remaining Ordinary B Shares in issue under clause 13 1 2 will be reduced by the same percentage as the number of Ordinary B Shares bought back and/or cancelled bears to the total number of Ordinary B Shares originally in issue and the percentage of such proceeds payable to the holders of the Ordinary A Shares will be increased proportionately For the avoidance of doubt, where the Company has agreed to pay any share(s) of net profits from film(s) produced by any Group Company to any cast and/or crew and/or writers of such film(s) (other than as the holders of Ordinary B Shares) and where any such cast and/or crew and/or writers are issued Ordinary A Shares in respect of any such share(s) then to the extent they receive any share(s) of net profits other than as the holders of Ordinary A Shares, their entitlement hereunder as the holder(s) of Ordinary A Shares will be reduced accordingly (as between the holders of the Ordinary A Shares) and treated as being part of the Net Profits Reserve

14. No redemption of Ordinary Shares

- 14 1 Neither the Ordinary A Shares nor the Ordinary B Shares will be redeemable or issued on terms that they may be redeemable

15. Variation of class rights

- 15 1 The special rights attaching to the Ordinary A Shares shall be deemed to be varied by the occurrence of any of the following events
- 15 1 1 the amendment or repeal of any provision of, or addition of any provision to, the articles of association or other constitutional document of any Group Company,
 - 15 1 2 the alteration in any manner (including, without limitation, by an increase, reduction, sub-division, consolidation, re-classification or a change in any of the rights attached) of any of the issued share capital or other securities of any Group Company, but excluding the issue of any shares or other securities on the exercise of any option, warrant or other right to acquire or subscribe for shares or other securities referred to in *article* 15 1 3 or the creation or issue by any Group Company of any shares or other securities,

- 15 1 3 the grant of any option, warrant or other right to acquire or subscribe for shares in or other securities of any Group Company,
 - 15 1 4 the approval of any merger, liquidation, dissolution or acquisition of any Group Company or the sale of all or a substantial part of the business, undertaking or assets of any Group Company,
 - 15 1 5 the purchase by any Group Company of any Shares or the redemption of any shares or other securities of any Group Company,
 - 15 1 6 the acquisition by any Group Company of any shares or other securities, or any option, warrant or other right to acquire or subscribe for any of the same, in any entity (whether or not incorporated),
 - 15 1 7 save as expressly provided otherwise in these Articles, the application by capitalisation of any sum in or towards paying up any shares or other securities of any Group Company, or any other reduction of any amount standing from time to time to the credit of the share premium account or capital redemption reserve of any Group Company,
 - 15 1 8 the entering into by any Group Company of a voluntary winding up,
 - 15 1 9 the transferring of any profits to reserves or otherwise (save in the ordinary course of business) and the taking of any action (excluding payment of dividends) which will raise or may reduce the amount of the profits of any Group Company available for distribution,
 - 15 1 10 the appointment or removal of any director of any Group Company, other than the appointment or removal of an Ordinary A Director made in accordance with *article 6* and save as provided by law,
 - 15 1 11 the redenomination of any of the issued share capital of any Group Company, and
 - 15 1 12 any Group Company incurring any obligation (whether or not conditional) to do any of the foregoing
- 15 2 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares or the issue of further Ordinary B Shares shall not, except as provided in *article 15 1*, constitute a variation of the rights of those existing classes of Shares
- 16. Pre-emption rights on the issue of further shares**
- 16 1 The Directors shall not, save with Ordinary A Shareholder Majority Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares
- 16 2 Subject to the other provisions of this *article 16*, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to

16 2 1 offer or allot,

16 2 2 grant rights to subscribe for or to convert any security into, and

16 2 3 otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper

16 3 The authority referred to in *article 16 2*

16 3 1 shall be limited to a maximum nominal amount of £1,000 of Ordinary A Shares and £3,000,000 of Ordinary B Shares,

16 3 2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and

16 3 3 may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired)

16 4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

16 5 Save with Ordinary A Shareholder Majority Consent, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Ordinary Shares (as if they constituted Shares of the same class) (each an "Offeree") inviting them to apply for the maximum number of Relevant Securities for which they wish to subscribe For the purposes of this article 16, Relevant Securities will exclude Ordinary A Shares and securities other than Ordinary B Shares and no Ordinary A Shares (or securities convertible into Ordinary A Shares) or securities other than Ordinary B Shares will be issued without Ordinary A Shareholder Majority Consent

16 6 An offer made under *article 16 5* shall

16 6 1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,

16 6 2 remain open for a period of at least 15 Business Days from the date of service of the offer, and

16 7 On the expiry of an offer made in accordance with *article 16 5*, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications provided that (notwithstanding *article 16 5*) Directors shall first allocate the Relevant Securities as to 50% to the holders of the Ordinary A Shares who have applied to subscribe for Relevant Securities but not exceeding for each holder of the Ordinary A Shares the maximum number of Relevant Securities for which such holder has stated he is willing to subscribe (and on a pro-rata basis based on existing shareholdings as between the holders of the Ordinary A Shares in the event of

insufficient Relevant Securities being available to meet such applications) and the balance of the Relevant Securities to the holders of the Ordinary B Shares who have applied to subscribe for Relevant Securities but not exceeding for each holder of the Ordinary B Shares the maximum number of Relevant Securities for which such holder has stated he is willing to subscribe (and on a pro-rata basis based on existing shareholdings as between the holders of the Ordinary B Shares in the event of insufficient Relevant Securities being available to meet such applications) Pro-rating to be done as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him

- 16 8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with *article 16 5* and *article 16 7* shall be used to satisfy any unsatisfied requests for Relevant Securities made by the holders of the other class of Shares. If there are insufficient Relevant Securities to satisfy such unsatisfied requests, such Relevant Securities shall be allotted to the applicants on a pro-rata basis based on existing shareholdings as between the holders of such other class of Shares (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him)
- 16 9 If, after completion of the allotments referred to in this article 16, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall be offered to any other person(s) as the Directors may, with Ordinary A Shareholder Majority Consent, determine, at the same price and on the same terms as the offer to the Shareholders

17. Transfers of shares: general

- 17 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share
- 17 2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. The Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent
- 17 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Ordinary A Shareholder Majority Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him
- 17 4 Any transfer of a Share by way of sale which is made under *article 19*, *article 22* or *article 23* shall be deemed to include a warranty that the transferor sells the Share with full title guarantee free from all claims, liens, charges and other third party encumbrances
- 17 5 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by an Ordinary A Director, require
- 17 5 1 any holder (or the legal representatives of a deceased holder), or
- 17 5 2 any person named as a transferee in a transfer lodged for registration, or

17 5 3 such other person as the Directors or an Ordinary A Director may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose

17 6 If any such information or evidence referred to in *article 17 5* is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and then, unless otherwise directed in writing by an Ordinary A Shareholder Majority

17 6 1 the relevant Shares shall cease to confer on the holder of them any rights

(a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,

(b) to receive dividends or other distributions otherwise attaching to those Shares, or

(c) to participate in any future issue of Shares issued in respect of those Shares, and

17 6 2 the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may (with Ordinary A Shareholder Majority Consent) reinstate the rights referred to in *article 17 6 1* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *article 17 6 2* on completion of such transfer

17 7 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that

17 7 1 it does not contain a Minimum Transfer Condition, and

17 7 2 the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)

17 8 Any Transfer Notice (but not an Offer Notice (as defined in *article 22*) or a Drag Along Notice (as defined in *article 23*)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Ordinary A Shareholder Majority Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice

18. Permitted transfers of shares

18 1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee

18 2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to

18 2 1 the Original Shareholder,

18 2 2 any Privileged Relation(s) of the Original Shareholder,

18 2 3 subject to *article* 18 3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor, or

18 2 4 subject to *article* 18 3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction

18 3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Ordinary A Shareholder Majority is satisfied

18 3 1 with the terms of the trust instrument and, in particular, with the powers of the trustee(s),

18 3 2 with the identity of the proposed trustee(s), and

18 3 3 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company

18 4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 20 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to, at the election of the Ordinary A Shareholder Majority

18 4 1 the Original Shareholder, or

18 4 2 a Member of the Same Group as the ultimate majority shareholder(s) of the Original Shareholder when the Shares were originally issued or transferred to it, or

18 4 3 such company as is closest to either of the companies in 18 4 1 or 18 4 2

(which in any such case is not in liquidation), without any price or other restriction
If the Permitted Transferee fails to make a transfer in accordance with this *article* 18 4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article* 18 4

18 5 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 20 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either

18 5 1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or

18 5 2 give a Transfer Notice to the Company in accordance with *article 19*,

failing which (and subject to Ordinary A Shareholder Majority Consent) a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 18 5*. This *article 18 5* shall not apply to a transferee of a Permitted Transferee if that transferee is also a Permitted Transferee of the Original Shareholder, to the extent that such transferee is legally or beneficially entitled to those Shares

18 6 Notwithstanding any other provision of this *article 18*, a transfer of any Shares approved by the Directors (acting with Ordinary A Shareholder Majority Consent) may be made without any price or other restriction and any such transfer shall be registered by the Directors

19. Pre-emption rights on the transfer of shares

19 1 Except where the provisions of *article 18*, *article 22* or *article 23* apply or there has been Ordinary A Shareholder Majority Consent, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this *article 19*

19 2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying

19 2 1 subject to *article 17 7 2*, the number of Shares he wishes to transfer (**Sale Shares**),

19 2 2 the name of the proposed transferee, if any,

19 2 3 the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**), and

19 2 4 subject to *article 17 7 1*, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**)

19 3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn without Ordinary A Shareholder Majority Consent), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with Ordinary A Shareholder Majority Consent

19 4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price

19 5 As soon as practicable following the later of

19 5 1 receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served), and

19 5 2 the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with *article 19 3*) offer the Sale Shares for sale in the manner set out in the remaining provisions of this *article 19* at the Transfer Price Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered

- 19 6 If the Sale Shares are Ordinary A Shares, the Company shall offer them in the following order of priority

19 6 1 first, to the holders of Ordinary A Shares, and

19 6 2 second but subject always to Ordinary A Shareholder Majority Consent, to the holders of Ordinary B Shares,

in each case on the basis set out in *article 19 8* to *article 19 14* (inclusive) References in such articles to Ordinary Shareholders shall mean the relevant class of Ordinary Shareholders to whom the offer is being made as set out above References in such articles to Ordinary Shares shall mean the relevant class of Ordinary Shares to the holders of which the offer is being made as set out above For the avoidance of doubt, if Ordinary A Shareholder Majority Consent is not given to the offer of such Sale Shares to the holders of Ordinary B Shares then such offer need not be made

- 19 7 If the Sale Shares are Ordinary B Shares, the Company shall offer them to the holders of the Ordinary Shares in each case on the basis set out in *article 19 8* to *article 19 14* (inclusive) provided that (notwithstanding *article 19 9 1*) Directors shall allocate the Sale Shares applied for as to 50% to the holders of the Ordinary A Shares but not exceeding for each holder of the Ordinary A Shares the maximum number of Sale Shares which such holder has stated he is willing to buy (and on a pro-rata basis based on existing shareholdings as between the holders of the Ordinary A Shares in the event of insufficient Sale Shares being available to meet such applications) and the balance of the Sale Shares to the holders of the Ordinary B Shares but not exceeding for each holder of the Ordinary B Shares the maximum number of Sale Shares which such holder has stated he is willing to buy (and on a pro-rata basis based on existing shareholdings as between the holders of the Ordinary B Shares in the event of insufficient Sale Shares being available to meet such applications) If not all Sale Shares are allocated following allocations in accordance with the previous part of this *article 19 7*, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out previously in this *article 19 7*

- 19 8 The Directors shall offer the Sale Shares to the Ordinary Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the "Offer Period") for the maximum number of Sale Shares they wish to buy

- 19 9 If

19 9 1 at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of Ordinary Shares bears to the total number of Ordinary Shares held by all Shareholders (other than the Seller) Fractional entitlements shall be rounded down to the nearest whole number

(save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Ordinary A Shareholder Majority Consent)) No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy,

19 9 2 not all Sale Shares are allocated following allocations in accordance with *article* 19 9 1, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in *article* 19 9 1 The procedure set out in this *article* 19 9 2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied, and

19 9 3 at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications The balance (the "Surplus Shares") shall, subject to *article* 19 10, be dealt with in accordance with *article* 19 14

19 10 Where the Transfer Notice contains a Minimum Transfer Condition

19 10 1 any allocation made under *article* 19 8 and *article* 19 9 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition, and

19 10 2 if the total number of Sale Shares applied for under *articles* 19 8 and *article* 19 9 (inclusive and as set out in *article* 19 6) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

19 11 Where either

19 11 1 the Transfer Notice does not contain a Minimum Transfer Condition, or

19 11 2 allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under *article* 19 8 and *article* 19 9 (inclusive), give notice in writing of the allocations of Sale Shares (an "Allocation Notice") to the Seller and each Shareholder to whom Sale Shares have been allocated (each an "Applicant") The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice)

19 12 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice

19 13 If the Seller fails to comply with *article* 19 12

19 13 1 the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller)

- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
- (b) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price), and
- (c) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

19 13 2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company

19 14 Where a Transfer Notice lapses pursuant to *article* 19 10 2 or an Allocation Notice does not relate to all the Sale Shares, then, subject to *article* 19 15, the Seller may, at any time during the 3 months following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this *article* 19 14 shall continue to be subject to any Minimum Transfer Condition

19 15 The Seller's right to transfer Shares under *article* 19 14 does not apply if the Directors reasonably consider that

19 15 1 the transferee is a person (or a nominee for a person) whom an Ordinary A Shareholder Majority determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company,

19 15 2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or

19 15 3 the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in *article* 19 15 2

20. Valuation

20 1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with Ordinary A Shareholder

Majority Consent, and the Seller or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share provided that where the Ordinary A Shareholder Majority directs, the Transfer Price for each Sale Share the subject of a Transfer Notice shall be the Proposed Sale Price or in the case of a Deemed Transfer Notice in relation to Ordinary A Shares if any, the price per Ordinary A Share at which the Ordinary A Shareholder wishes to transfer the relevant Ordinary A Shares

- 20 2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions
- 20 2 1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served),
 - 20 2 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - 20 2 3 that the Sale Shares are capable of being transferred without restriction,
 - 20 2 4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares of the relevant class without any premium or discount being attributable to the percentage of the issued share capital of the relevant class which they represent but taking into account whether they are Ordinary A Shares or Ordinary B Shares and the rights attached to each, and
 - 20 2 5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account
- 20 3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit
- 20 4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose
- 20 5 The parties are entitled to make submissions to the Independent Expert including oral submissions and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision
- 20 6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 20 7 The Independent Expert shall be requested to determine the Fair Value within 60 Business Days of its appointment and to deliver its certificate to the Company Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller

- 20 8 The cost of obtaining the Independent Expert's certificate shall be borne by the Company and the Seller equally or in such other proportions as the Independent Expert directs unless

20 8 1 the Seller withdraws the relevant Transfer Notice in accordance with *article* 19 3, or

20 8 2 in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost

21. Compulsory transfers

- 21 1 A person entitled to an Ordinary B Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors (acting with Ordinary A Shareholder Majority Consent) may determine

- 21 2 If an Ordinary B Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Ordinary B Shares held by it at such time as the Directors (acting with Ordinary A Shareholder Majority Consent) may determine

- 21 3 Forthwith upon a Transfer Notice being deemed to be served under article 21 the Shares subject to the relevant Deemed Transfer Notice ("Restricted Shares") shall, unless the Ordinary A Shareholder Majority direct otherwise, cease to confer on the holder of them any rights

21 3 1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,

21 3 2 to receive dividends or other distributions otherwise attaching to those Shares, or

21 3 3 to participate in any future issue of Shares issued in respect of those Shares

The Directors may (with Ordinary A Shareholder Majority Consent) reinstate the rights referred to in *article* 21 3 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to article 21 on completion of such transfer

22. Mandatory offer on change of control

- 22 1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to *article* 18, but after the operation of the pre-emption procedure set out in *article* 19), whether made as one or as a series of transactions (a "Proposed Transfer") would, if completed, result in any person (the "Buyer"),

together with any person acting in concert with the Buyer, acquiring more than 51% of the Ordinary B Shares, the remaining provisions of this *article* 22 shall apply

- 22 2 The Seller and Company shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the "Offer") to each Ordinary A Shareholder on the date of the Offer, to buy all of the Ordinary A Shares held by such Shareholders on the date of the Offer for a consideration in cash per Ordinary A Share (the "Offer Price") which is equal to the amount payable per Ordinary A Share in accordance with *article* 22 6
- 22 3 The Offer shall be made by notice in writing (an "Offer Notice") addressed to each Ordinary A Shareholder on the date of the Offer at least 15 Business Days (the "Offer Period") before the date fixed for completion of the Proposed Transfer (the "Sale Date") The Offer Notice shall specify
- 22 3 1 the identity of the Buyer (and any person(s) acting in concert with the Buyer),
- 22 3 2 the Offer Price and any other terms and conditions of the Offer,
- 22 3 3 the Sale Date, and
- 22 3 4 the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer
- 22 4 The completion of the Proposed Transfer shall be conditional in all respects on
- 22 4 1 the making of an Offer in accordance with this *article* 22, and
- 22 4 2 the completion of the transfer of any Ordinary A Shares by any Ordinary A Shareholder (each an "Accepting Shareholder") who accepts the Offer within the Offer Period,
- and the Directors shall refuse to register any Proposed Transfer made in breach of this *article* 22
- 22 5 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this *article* 22 shall not be, subject to the pre-emption provisions of *article* 19
- 22 6 Notwithstanding anything else in this *article*, (i) where all Ordinary A Shares and all Ordinary B Shares are being transferred in accordance with a Proposed Transfer and this *article* 22, the total consideration proposed to be paid by the Proposed Buyer shall be distributed to the holders of the Ordinary A Shares and Ordinary B Shares being transferred in accordance with the provisions of *article* 11 1 and (ii) where some but not all of the Ordinary A Shares and some or all of the Ordinary B Shares are being transferred in accordance with a Proposed Transfer and this *article* 22, the total consideration proposed to be paid by the Proposed Buyer shall be distributed to the holders of the Ordinary A Shares and Ordinary B Shares being transferred in accordance with the provisions of *article* 11 1 but on a pro-rata basis (including without limitation pro-rating the 60%/40% proportions of further proceeds payable as between the Ordinary A Shares and Ordinary B Shares) depending on the numbers of Ordinary A Shares and Ordinary B Shares being sold as a proportion of the total number of issued shares of that class

23. Drag along

- 23 1 If an Ordinary A Shareholder Majority or the holders of 51% of the Ordinary B Shares in issue for the time being (either being the "Selling Shareholders" as the case may be) wish to transfer all of their interest in Shares ("Sellers' Shares") to a bona fide arm's-length purchaser ("Proposed Buyer"), the Ordinary A Shareholder Majority shall have the option ("Drag Along Option") to require all the holders of Ordinary B Shares and/or Ordinary A Shares (as the Ordinary A Shareholder Majority may decide) on the date of the request ("Called Shareholders") to sell and transfer all their interest in Ordinary B Shares and/or Ordinary A Shares (as the case may be) with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this *article* 23
- 23 2 The Ordinary A Shareholder Majority may exercise the Drag Along Option by giving notice in writing to that effect (a "Drag Along Notice"), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder A Drag Along Notice shall specify
- 23 2 1 that the Called Shareholders are required to transfer all their Ordinary B Shares and/or Ordinary A Shares (as the case may be depending on the Drag Along Notice) ("Called Shares") pursuant to this *article* 23,
- 23 2 2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
- 23 2 3 the consideration payable for the Called Shares calculated in accordance with *article* 23 4,
- 23 2 4 the proposed date of completion of transfer of the Called Shares
- 23 3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Ordinary A Shareholder Majority However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 40 Business Days of serving the Drag Along Notice The Ordinary A Shareholder Majority may serve further Drag Along Notices following the lapse of any particular Drag Along Notice
- 23 4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be (i) where just Ordinary B Shares are being sold, that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares (provided these are Ordinary B Shares) in proportion to the number of Ordinary B Shares held by each of them (ii) where all Ordinary A Shares and all Ordinary B Shares are being sold, that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of *article* 11 1 and (iii) where some but not all of the Ordinary A Shares and some or all of the Ordinary B Shares are being sold, that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of *article* 11 1 but on a pro-rata basis (including without limitation pro-rating the 60%/40% proportions of further proceeds payable as between the Ordinary A Shares and Ordinary B Shares) depending on the numbers of Ordinary A Shares and Ordinary B Shares being sold as a proportion of the total number of issued shares of that class

- 23 5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this *article 23*
- 23 6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless
- 23 6 1 all of the Called Shareholders and the Ordinary A Shareholder Majority otherwise agree, or
- 23 6 2 that date is less than 5 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 15 Business Days after the date of service of the Drag Along Notice
- 23 7 Prior to the proposed completion date under *article 23 6*, the Called Shareholders shall deliver stock transfer forms for their Called Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof) to the Company. On the proposed completion date under *article 23 6*, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to *article 23 4* to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to *article 23 4* shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to *article 23 4* in trust for the Called Shareholders without any obligation to pay interest
- 23 8 To the extent that the Proposed Buyer has not, on the proposed completion date under *article 23 6*, put the Company in funds to pay the amounts due pursuant to *article 23 4*, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this *article 23* in respect of their Called Shares
- 23 9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Ordinary A Shareholder Majority to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder without any obligation to pay interest) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this *article 23*
- 23 10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Ordinary B Shares and/or Ordinary A Shares (as the case may be depending on the Drag Along Notice) (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 then be bound to sell and transfer all such Ordinary B Shares and/or Ordinary A Shares (as the case may be depending on the Drag Along Notice) acquired by him to the

Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this *article 23* shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Ordinary B Shares and/or Ordinary A Shares shall take place forthwith upon the later of (i) the Drag Along Notice being deemed served on the New Shareholder or if later 15 days after the Proposed Buyer becomes aware of the deemed service of such Drag Along Notice and (ii) the date of completion of the sale of the Called Shares

- 23 11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of *article 19*
- 23 12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice

DECISION-MAKING BY SHAREHOLDERS

24. General meetings

- 24 1 No business other than, subject to *article 24 2*, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on
- 24 2 The quorum for any general meeting of the Company will be one or more qualifying persons present, provided such persons constitute an Ordinary A Shareholders Majority and provided that all decisions of any general meeting of the Company will require and be subject to Ordinary A Shareholder Majority Consent
- 24 3 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Ordinary A Director(s) present (or, if no Ordinary A Director(s) are present, the Ordinary A Shareholder Majority) must appoint another person present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting

25. Voting

- 25 1 Without prejudice to *article 15*, whatever the number of Ordinary A Shares and/or Ordinary B Shares in issue at any time, (i) the Ordinary A Shares shall confer upon the holders thereof the right (pro rata to the number of Ordinary A Shares held by each of them) to cast an aggregate of 100% of the voting rights capable of being cast on all matters to be decided by vote at general meetings of the Company and/or on a poll and (ii) the Ordinary B Shares will not entitle the holders to vote at any general meeting or on a poll
- 25 2 In addition to those persons referred to in model *article 44(2)*, a poll may be demanded at any general meeting by any holder of Ordinary A Shares present and entitled to vote at the meeting
- 25 3 Model *article 44(3)* shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model *article*
- 25 4 Model *article 45(1)* shall be amended by

25 4 1 the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate", and

25 4 2 the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Ordinary A Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that model article

26. Lien, calls on shares and forfeiture

26 1 The Company has a lien (the **Company's Lien**) over every Ordinary B Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Ordinary B Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

26 2 The provisions of articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60(1), (2) and (3), 61 and 62 for public companies set out in Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Ordinary B Shares issued by the Company, save that each reference in those articles to "share" shall mean an "Ordinary B Share", each reference to a "member" or "members" shall be deemed to be references to an "Ordinary B Shareholder" or "Ordinary B Shareholders" (as the case may be) and each reference to a "director" or "directors" shall be deemed to be references to an "Ordinary A Director" or "Ordinary A Directors" (as the case may be)

26 3 Enforcement of the Company's Lien

26 3 1 Subject to the provisions of this *article* 26 3, if

- (a) a Lien Enforcement Notice has been given in respect of an Ordinary B Share, and
- (b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Ordinary B Share in such manner as the Ordinary A Directors decide

26 3 2 A Lien Enforcement Notice

- (a) may only be given in respect of an Ordinary B Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the Ordinary B Share concerned,
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),

- (d) must be addressed either to the holder of the Ordinary B Share or to a transferee of that holder, and
- (e) must state the Company's intention to sell the Ordinary B Share if the notice is not complied with

26 3 3 Where Ordinary B Shares are sold under this *article* 26 3

- (a) the Ordinary A Directors may authorise any person to execute an instrument of transfer of the Ordinary B Shares to the purchaser or to a person nominated by the purchaser, and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

26 3 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and
- (b) second, to the person entitled to the Ordinary B Shares at the date of the sale, but only after the certificate for the Ordinary B Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Ordinary A Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over any remaining Ordinary B Shares held by that person for any money payable by that person (or his estate or any joint holder of the Ordinary B Shares) after the date of the Lien Enforcement Notice

26 3 5 A statutory declaration by an Ordinary A Director that the declarant is an Ordinary A Director and that an Ordinary B Share has been sold to satisfy the Company's Lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Ordinary B Share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Ordinary B Share

26 4 Call notices

26 4 1 Subject to the Articles and the terms on which Shares are allotted, the Ordinary A Directors may send a notice (a "Call Notice") to an Ordinary B Shareholder requiring the Ordinary B Shareholder to pay the Company a specified sum of money (a "Call") which is payable to the Company at the date when the Ordinary A Directors decide to send the Call Notice

26 4 2 A Call Notice

- (a) may not require an Ordinary B Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,

(b) must state when and how any Call to which it relates is to be paid, and

(c) may permit or require the Call to be made in instalments

26 4 3 An Ordinary B Shareholder must comply with the requirements of a Call Notice, but no Ordinary B Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

26 4 4 Before the Company has received any Call due under a Call Notice the Ordinary A Directors may

(a) revoke it wholly or in part, or

(b) specify a later time for payment than is specified in the notice,

by a further notice in writing to the Ordinary B Shareholder in respect of whose Ordinary B Shares the Call is made

26 4 5 A Call Notice need not be issued in respect of sums which are specified, in the terms on which an Ordinary B Share is issued, as being payable to the Company in respect of that Share

(a) on allotment,

(b) on the occurrence of a particular event, or

(c) on a date fixed by or in accordance with the terms of issue

26 5 **Forfeiture**

26 5 1 If a person is liable to pay a Call and fails to do so by the Call payment date

(a) the Ordinary A Directors may issue a notice of intended forfeiture to that person, and

(b) until the Call is paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate

26 5 2 A notice of intended forfeiture

(a) may be sent in respect of any Ordinary B Share in respect of which a Call has not been paid as required by a Call Notice,

(b) must be sent to the holder of that Ordinary B Share (or all the joint holders of that Ordinary B Share) or to a transmittee of that holder,

(c) must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),

- (d) must state how the payment is to be made, and
 - (e) must state that if the notice is not complied with, the Ordinary B Shares in respect of which the Call is payable will be liable to be forfeited
- 26 5 3 At any time before the Company disposes of a forfeited Share, the Ordinary A Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit

ADMINISTRATIVE ARRANGEMENTS

27. Notices

27 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

- 27 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
- 27 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 27 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 27 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this *article* 27 1, no account shall be taken of any part of a day that is not a working day

27 2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

28. Indemnity and insurance

28 1 Subject to *article* 28 2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

- 28 1 1 each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported

execution and/or discharge of his duties, or in relation thereto including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment 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 the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs, and

28 1 2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in *article 28 1* and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure

28 2 This *article 28* does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

28 3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss

28 4 In this *article 28*

28 4 1 "Relevant Loss" means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company), and

28 4 2 "Relevant Officer" means any director or other officer or former director or other officer of any Group Company, but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor

29. Data protection

29 1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a "Recipient") for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually

29 2 The personal data that may be processed for such purposes under this *article 29* shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to

29 2 1 a Member of the Same Group as the Recipient (each a "Recipient Group Company"), and

29.2.2 employees, directors and professional advisers of that Recipient or any Recipient Group Company

29.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so