

Company Number: 08815227

**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION OF THE MEMBERS**

**of**

**CLOUD IMPERIUM UK LIMITED (the "Company")**

**6<sup>th</sup> of December 2019 (the "Circulation Date")**

Pursuant to Chapter 2 of Part 13 of Companies Act 2006, the directors of the Company proposed the following written resolutions be passed as a special resolutions, and the undersigned, being the members of the Company who (at the date of circulation of this resolution) would be entitled to vote on the resolutions, hereby agree pursuant to section 288 of the Companies Act 2006 to the passing of the following resolutions:

**SPECIAL RESOLUTION**

**IT IS RESOLVED:**

**THAT** the draft articles of association attached to this resolution in the Exhibit be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association.

**[Signature Page to follow]**

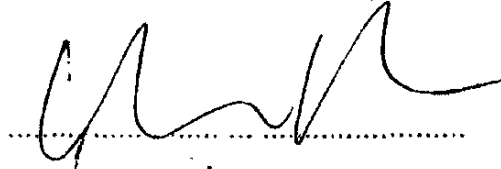


## AGREEMENT OF ELIGIBLE MEMBERS

We, being all persons entitled to vote on the resolution on the Circulation Date, irrevocably agree to the foregoing resolution:

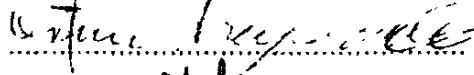
SIGNED by CHRIS ROBERTS

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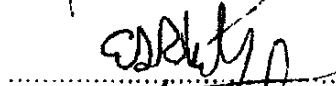
SIGNED by ORTWIN FREYERMUTH

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SIGNED by ERIN ROBERTS

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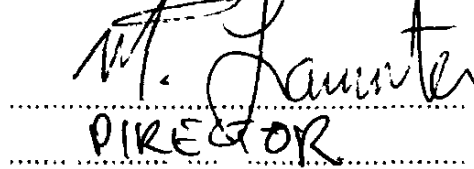
SIGNED by INDUS MANAGEMENT LTD.  
By

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Its

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DIRECTOR

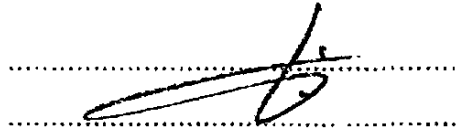
SIGNED by INFATRADE GROUP CORP  
By

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Its

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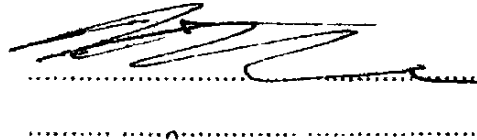
SIGNED by ERLOCH LTD.  
By

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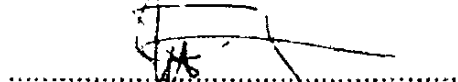
Its

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SIGNED by MARC BEAUDET

)



SIGNED by BENOÎT BEAUSÉJOUR

)



Eligible members must signify their agreement to the proposed resolutions as follows: (i) **by hand**, by delivering a signed copy to the Company, marked for the attention of Martin Franz, to be received on behalf of the Company; (ii) **by post**, by sending a signed copy to the Company, marked for the attention of Martin Franz; or (iii) **by e-mail**, by attaching a scanned copy of the signed document to an email and sending it to the following addresses, to be received by Martin Franz at martin.franz@cloudimperiumgames.com on behalf of the Company. Eligible members must signify their agreement to the proposed resolutions in accordance with the foregoing within the period of 28 days from and including the Circulation Date. However, eligible members who do not agree with the proposed resolutions do not need to reply. Once eligible members have signified their agreement to the proposed resolutions, their agreement may not be revoked. The proposed resolutions will lapse if they are not passed by the end of that 28 day period.

**COMPANY NUMBER: 08815227**

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION OF CLOUD IMPERIUM UK LIMITED**

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## ARTICLES OF ASSOCIATION

– OF –

### CLOUD IMPERIUM UK LIMITED

(the Company)

(Adopted by written resolution passed

on 6<sup>th</sup> of December 2019)

### PART 1 - INTERPRETATION AND LIMITATION OF LIABILITY

#### 1. Defined terms

##### 1.1 In the Articles, unless the context requires otherwise:

**Additional Selling Shareholder Notice** has the meaning given in Article 27.3;

**Approved Sale** has the meaning given in Article 29.1;

**Articles** means the Company's articles of association;

**Affiliates** means with respect to any Person, (i) any other Person which beneficially holds, directly or indirectly, or otherwise controls, ten percent (10%) or more of such Person's outstanding securities, (ii) any other Person, ten percent (10%) or more of whose outstanding securities are beneficially held, directly or indirectly, or are otherwise controlled, by such Person, (iii) any other Person, ten percent (10%) or more of whose outstanding securities are beneficially held, directly or indirectly, or are otherwise controlled, by a Person described in (i) above, and (iv) any other Person which directly or indirectly (through one or more intermediaries) controls, is controlled by or is under common control with such Person. For these purposes "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of Voting Securities, by contract or otherwise;

**Available Cash** means, at any time, that portion of the Company's cash on hand which the Board, in good faith, deems available for distribution to the Shareholders, taking into account (a) the Company's working capital requirements pursuant to its then current business plan and budget, (b) the amount of cash required for the payment of all current expenses, liabilities and obligations of the Company (whether for expense items, capital expenditures, improvements, retirement of indebtedness or otherwise) and (c) the amount of cash which the Board deems in good faith necessary to establish prudent reserves for the payment of future contingencies, known or unknown, liquidated or unliquidated, including, but not limited to, liabilities which may be incurred in litigation or with respect to obligations of indemnification;

**bankruptcy** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

**Board** means the board of Directors of the Company as established in accordance with Article 14;

**Chairman** has the meaning given in Article 10;

**chairman of the meeting** has the meaning given in Article 43;

**CIG Corp** means Cloud Imperium Games Corporation, a Delaware corporation;

**CIG Group Companies** means the Group Companies, the US Group Companies, and RSI Germany GmbH, and a reference to a **CIG Group Company** is a reference to any one of them;

**CIG US** means Cloud Imperium US, LLC, a Delaware limited liability company;

**Co-Sale Right** has the meaning given in Article 28.1;

**Companies Acts** means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;

**Company** means Cloud Imperium UK Limited (Company number: 08815227);

**Company Notice** has the meaning given in Article 27.2;

**Company Refusal Right** has the meaning given in Article 27.2;

**Company Undersubscription Notice** has the meaning given in Article 27.4;

**Conversion** means any merger, reorganisation, conversion, exchange or “reincorporation” of the Company (however effected) pursuant to which the Company’s equity Securities are converted into or exchanged for equity interests of another entity;

**Convertible Securities** means any obligations, evidences of indebtedness or other securities or interests (other than options) directly or indirectly convertible or exchangeable into Shares or other equity interests in the Company;

**CR Designee** has the meaning given in Article 14.2.1;

**Damages** has the meaning given in Article 55.2;

**Director** means a director of the Company, and includes any person occupying the position of director, by whatever name called;

**Distribution** means each distribution made by the Company to a Shareholder, whether in cash, property or Securities of the Company, for no consideration; provided, however, that any recapitalisation or exchange of Securities of the Company, and any subdivision (by share sub-division or otherwise) will not be a Distribution;

**Distribution Recipient** has the meaning given in Article 34;

**document** includes, unless otherwise specified, any document sent or supplied in electronic form;

**electronic form** has the meaning given in section 1168 of the Companies Act 2006;

**ER Designee** has the meaning given in Article 14.2.2;

**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);

**Erloch UK** means Erloch Ltd., a Cayman Island registered company;

**Erloch US** means Erloch, Inc., a Delaware corporation;

**Exchange Act** means the Securities Exchange Act of 1934, as amended from time to time;

**Exercising Shareholders** has the meaning given in Article 27.4;

**fully paid** in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;

**Fully Diluted Share Capital** means at any time the number of shares which the Company would have in issue at the relevant time if all shares which the Company has agreed to create or issue and all shares capable of being issued by the Company pursuant to all outstanding options, warrants or rights to subscribe for shares or securities convertible into shares had been issued (and, if there is a subdivision, consolidation or reclassification of those shares, shares resulting from the subdivision, consolidation or reclassification);



**GAAP** means United Kingdom generally accepted accounting principles as in effect from time to time;

**Group Companies** means the Company and its subsidiary undertakings (as defined in section 1162 of the Companies Act 2006) from time to time, and a reference to a **Group Company** is a reference to any one of them;

**hard copy form** has the meaning given in section 1168 of the Companies Act 2006;

**holder** in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;

**instrument** means a document in hard copy form;

**Incapacitated Director** means a Director who suffers an incapacity, illness or mental or physical disability which incapacitates or prevents such Director from performing any duties that the Shareholder is required to perform as a Director of the Company (**Incapacity**), and such Director has not recovered so as to be able to perform those duties within four weeks of the Incapacity;

**Indemnatee** has the meaning given in Article 55.2;

**Infatrade** means Infatrade Group Corporation, a British Virgin Islands registered company;

**Initial Public Offering** means the initial bona fide underwritten sale of the Company's equity securities to the public pursuant to an offering registered under the Securities Act (x) for gross proceeds of at least forty million dollars (\$40,000,000) and (y) at a per share price to public equal to at least three (3) times the subscription price per Share made by Investor on the Adoption Date; provided, however, that the following will not be considered an Initial Public Offering: (i) any issuance of the Company's equity securities as consideration for a merger or acquisition pursuant to an offering registered under the Securities Act, and (ii) any issuance of the Company's equity securities or rights to acquire the Company's equity securities to employees of the Company or any subsidiary as part of an incentive or compensation plan pursuant to an offering registered under the Securities Act;

**Investor** means Indus Management Ltd., a company registered in the Cayman Islands under number 124841 whose registered office is at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands;

**Investor Designee** has the meaning given in Article 14.2.4;

**ITG** means ITG US Inc., a Delaware corporation;

**Liquidation Event** has the meaning given in Article 58.1;

**Majority in Interest of the Shareholders** means the Shareholders holding more than fifty percent (50%) of all of the Shares carrying voting rights from time to time;

**OF Designee** has the meaning given in Article 14.2.3;

**Offered Shares** has the meaning given in Article 27.2;

**Offeree** has the meaning given in Article 22.1;

**ordinary resolution** has the meaning given in section 282 of the Companies Act 2006;

**paid** means paid or credited as paid;

**participate**, in relation to a Directors' meeting, has the meaning given in Article 9;

**Participating Shareholder** has the meaning given in Article 28.1;

**Percentage Interest** means the ratio of the number of Shares held by the Person or Persons for whom the Percentage Interest is calculated divided by the total number of Shares in the Company then-issued, excluding, for the avoidance of doubt, any phantom shares;

**Permitted Business** has the meaning given in Article 57.1;

**Permitted Transfer** has the meaning given in Article 27.7;

**Permitted Transferee** has the meaning given in Article 27.7;

**Person** means any individual, partnership, corporation, trust, limited liability company, governmental authority or other entity;

**Principals** means Ortwin Freyermuth, Christopher Roberts and Erin Roberts;

**Pro Rata Share** has the meaning given in Article 28.3;

**Prospective Transferee** has the meaning given in Article 28.5;

**Proposal Notice** has the meaning given in Article 22.1;

**proxy notice** has the meaning given in Article 48;

**Public Offering** means a bona fide underwritten sale of the Company's equity securities to the public pursuant to an offering registered under the Securities Act for gross proceeds of at least sixty five million dollars (\$65,000,000); provided, however, that the following will not be considered a Public Offering: (i) any issuance of the Company's equity securities as consideration for a merger or acquisition pursuant to an offering registered under the Securities Act, and (ii) any issuance of the Company's equity securities or rights to acquire the Company's equity securities to employees of the Company or any subsidiary as part of an incentive or compensation plan pursuant to an offering registered under the Securities Act;

**Purchase and Sale Agreement** has the meaning given in Article 28.4;

**Reincorporation** means a transaction, approved by the Board, which is not a Sale of the Company, in which there is a Conversion of the Company into a corporation (by conversion, merger or newly formed holding company or otherwise) or another form of business entity at any time (**Successor Corporation**), or a restructuring into a holding company structure, pursuant to which (i) the terms and conditions contained herein will be, as closely as possible, adopted by the Successor Corporation, and (ii) each issued Share will be exchanged for a share or shares of the Successor Corporation's share capital reflecting, as nearly as possible, such Share's economic and other rights under any shareholders' agreement, but in the form appropriate for a corporation, and with such commercially reasonable modifications as may be necessary to permit such conversion to be effected on a tax-free basis;

**Sale Notice** has the meaning given in Article 27.2;

**Sale of the Company** means either (i) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the business or assets of the Company or (ii) a transaction or series of transactions (including by way of merger, consolidation, recapitalisation, reorganisation or sale of stock), the result of which is that the Shareholders immediately prior to such transaction are, after giving effect to such transaction, no longer, in the aggregate, the beneficial owners (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the Exchange Act), directly or indirectly *through one or more intermediaries, of more than fifty percent (50%) of the voting power of the outstanding Voting Securities of the Company or the surviving entity of such transaction;*

**Secondary Refusal Right** has the meaning given in Article 27.3;

**Security** means (i) Shares or other equity interests in the Company (including other classes of shares having such relative rights, powers and duties as may from time to time be established by the Board and included in the Articles, including rights, powers and/or duties *pari passu* or senior to existing classes of Shares and other

equity interests of the Company), (ii) stock appreciation rights, phantom stock rights or other rights with equity features, (iii) Convertible Securities, (iv) options and (v) debt securities;

**Selling Shareholder** has the meaning given in Article 27.2;

**Shareholder** means a person who is the holder of a Share;

**Shareholder Notice** has the meaning given in Article 27.3;

**Shareholder Notice Period** has the meaning given in Article 27.4;

**shareholders' agreement** means any shareholders' agreement regulating the affairs of the Company and/or rights of Shareholders that may be in force from time to time;

**Shares** means shares in the Company;

**special resolution** has the meaning given in section 283 of the Companies Act 2006;

**Subject Shareholder** has the meaning given in Article 29.1;

**subsidiary** has the meaning given in section 1159 of the Companies Act 2006;

**Taxable Year** means the financial year of the Company for corporation tax purposes;

**Transfer** (whether or not such term is capitalised) means any sale, transfer, assignment, pledge, mortgage, exchange, hypothecation, grant of a security interest or other direct or indirect disposition, or encumbrance, whether with or without consideration, whether voluntarily or involuntarily and whether by operation of law or otherwise. The terms **Transferee**, **Transferred**, **Transferor** and other forms of the word **Transfer** will have correlative meanings;

**transmittee** means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;

**Undersubscription Notice** has the meaning given in Article 27.4;

**US Group Companies** means, collectively, (a) CIG Corp, (b) CIG US, (c) Cloud Imperium Games, LLC, a California limited liability company, (d) Cloud Imperium Games Texas, LLC, a Texas limited liability company, (e) Roberts Space Industries LLC, (f) Gemini 42 Entertainment, LLC, a California limited liability company, (g) Gemini 42 Productions, LLC, a California limited liability company, (h) Cloud Imperium Rights LLC, a California limited liability company, and (i) VGDC Lienholding LLC, a California limited liability company;

**Voting Securities** means securities entitled to vote generally in matters affecting the issuer thereof;

**writing** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Company.

## **2. Liability of members**

- 2.1 The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

## **PART 2 – DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **3. Directors' general authority**

- 3.1 Subject to the Articles and any relevant provisions of any shareholders' agreement, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

#### **4. Directors may delegate**

- 4.1 Subject to the Articles and any relevant provisions of any shareholders' agreement, the Directors may delegate any of the powers which are conferred on them under the Articles:

- 4.1.1 to such person or committee;
  - 4.1.2 by such means (including by power of attorney);
  - 4.1.3 to such an extent;
  - 4.1.4 in relation to such matters or territories; and
  - 4.1.5 on such terms and conditions,
- as they think fit.

- 4.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

- 4.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

#### **5. Committees**

- 5.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles and any shareholders' agreement which govern the taking of decisions by Directors.

- 5.2 The Directors may make rules of procedure for all or any committees, subject to any relevant provisions of any shareholders' agreement, which prevail over rules derived from the Articles if they are not consistent with them.

- 5.3 The Board shall have an audit committee, a compensation committee and such other committees as may be designated by the Board, each consisting of one or more Directors, to serve at the pleasure of the Board; provided, that, unless otherwise agreed unanimously by the Board, (i) the compensation committee shall have no more than four (4) members, (ii) a majority of the voting power of the compensation committee shall be held by Directors who are not (x) employees of the Company or any of its Affiliates or such employees' Affiliates; or (y) a representative or alternate of any employees of the Company or any Affiliates or such employees' Affiliates, and (iii) any member of the compensation committee who is the CR Designee or any Director designated by Christopher Roberts shall have no vote with respect to the compensation or employment terms of Christopher Roberts' spouse. Subject to any limitations set forth in the Articles and any shareholders' agreement, any committee of the Board will have authority to act in the manner and to the extent provided in the resolution of the Board, and may have all the authority of the Board in the management of the business and affairs of the Company.

## **DECISION-MAKING BY DIRECTORS**

### **6. Directors to take decisions collectively**

6.1 The general rule about decision-making by Directors is that any decision of the Directors must be taken in accordance with the Articles and any relevant provisions of any shareholders' agreement and a majority decision at a meeting, in the form of a Directors' written resolution or a decision taken in accordance with Article 7.

6.2 If:

6.2.1 the Company only has one Director; and

6.2.2 no provision of the Articles requires it to have more than one Director,

the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making.

### **7. Unanimous decisions**

7.1 A decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

7.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing.

7.3 References in this Article to Eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting.

7.4 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at such a meeting and/or if such decision is prohibited by any relevant provisions of any shareholders' agreement.

### **8. Meetings of the Board; action by the Board**

8.1 The Board (and any committees thereof) will meet at such times and from time to time as any member of the Board may designate, to consult with, advise and direct the officers with respect to business and affairs of the Company. The Board shall meet at least quarterly in accordance with an agreed-upon schedule unless the Board determines by the vote of a majority of the Board to meet more frequently. The Board may designate any place as the place of meeting for any meeting of the Board, including designating that a meeting of the Board occurs electronically via Skype, videoconference, teleconference or a similar electronic means of communication. The Board shall use commercially reasonable efforts to coordinate the time and location of its meetings with the board meetings of CIG US. Reasonably in advance of each regularly scheduled Board meeting, the Company shall provide each Director with quarterly management reports with respect to each functional area of the Company.

8.2 Written notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called will be delivered to each Director not less than ten (10) Business Days before the date of the meeting, either personally or by mail or email, by or at the direction of the Director calling the meeting, to each Director entitled to vote at such meeting. Notice to a particular Director of a meeting of the Board will be considered delivered: (a) when personally delivered, (b) if sent by Royal Mail, by certified or registered mail upon receipt requested, postage prepaid, or by a nationally recognised overnight courier service, upon actual receipt by the Director, (c) if sent via email or a facsimile transmission, upon receipt of confirmation of such email or facsimile transmission from the Director. Notwithstanding the foregoing, any Director may waive the notice requirements set forth in this Article 8.2.

8.3 At all meetings of the Board, the Directors having a majority of the voting power will constitute a quorum for the transaction of business (which, for purposes of a quorum, must include (i) the ER Designee or OF Designee; and (ii) the Investor Designee or Eli Klein, in each case in clauses (i) and (ii) for so long as each such

Director remains on the Board). If both directors listed in either clause (i) or clause (ii) above do not attend a meeting and do not provide the Board with valid reasons for such absence, the meeting shall be adjourned due to a lack of a quorum and a new meeting shall be called in accordance with Article 8.2 above. If the same shall occur with respect to such additional meeting, a quorum shall be established pursuant to the terms of this Article 8.3 notwithstanding their absence. The act of a majority of the voting power of the Directors present at any meeting at which there is a quorum will be a decision of the Board. The Board may also act by unanimous written consent, which may be delivered and executed electronically by any reasonable means, including but not limited to, via DocuSign.

8.4 Any resolutions of or actions taken by the Board in accordance with any shareholders' agreement and the Articles will be binding and the officers will be bound to act in accordance with any such recommendations or actions. At any meeting of the Board at which the Chairman is present, the Chairman will preside over the meeting.

8.5 Each Director will have one vote on any matter; provided, however, that for so long as Christopher Roberts directly or indirectly holds a majority of the Shares, including but not limited to through any trusts set up for the benefit of Christopher Roberts or any of his family members, he shall have a number of votes equal to the total number of Directors on the Board at the time an action is taken by the Board, provided further, that the foregoing proviso shall apply with effect to voting on the entire Board and not on any committee of the Board, on which Christopher Roberts shall have one vote if he is a member of such committee.

## **9. Participation in Directors' meetings**

9.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

9.1.1 the meeting has been called and takes place in accordance with the Articles; and

9.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

9.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

9.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **10. Chairing of Directors' meetings**

10.1 Subject to the Articles and any relevant provisions of any shareholders' agreement, the Directors may appoint a Director to chair their meetings.

10.2 The person so appointed for the time being is known as the Chairman.

10.3 For so long as Christopher Roberts is serving as a Director, Christopher Roberts shall be the Chairman. At any time when Christopher Roberts is no longer serving as a Director, the Board shall appoint Erin Roberts to serve as Chairman. At any time when both Christopher Roberts and Erin Roberts are no longer serving as Directors, the Chairman shall be appointed by a majority of the Board.

## **11. Conflicts of interest**

11.1 If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.

11.2 But if Article 11.3 applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.

11.3 This Article applies when:

- 11.3.1 the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision-making process;
  - 11.3.2 the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - 11.3.3 the Director's conflict of interest arises from a permitted cause.
- 11.4 For the purposes of this Article, the following are permitted causes:
- 11.4.1 a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
  - 11.4.2 subscription, or an agreement to subscribe, for Shares or other securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such Shares or securities; and
  - 11.4.3 arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
- 11.5 For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
- 11.6 Subject to Article 11.7, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director other than the Chairman is to be final and conclusive. If the Chairman rules that such Director is to be excluded from participating in the meeting (or part of the meeting) for voting or quorum purposes, the Director shall nevertheless be entitled to attend the Board meeting and receive documents or information to the extent relating to the situation, matter or interest giving rise to his exclusion (including without limitation, notice of meetings, board papers, minutes or draft minutes, Directors' written resolutions and legal advice given to the Company).
- 11.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 11.8 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, the Shareholder who appointed him as Director and no authorisation under this Article shall be necessary in respect of any such interest.
- 11.9 Any Director shall be entitled from time to time to disclose to the Shareholder who appointed him such information concerning the business and affairs of the Company as such persons shall at their discretion see fit.
- 12. Records of decisions to be kept**
- 12.1 The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.
- 13. Directors' discretion to make further rules**
- 13.1 Subject to the Articles and any relevant provisions of any shareholders' agreement, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

## APPOINTMENT OF DIRECTORS

### 14. Methods of appointing Directors

- 14.1 Subject to the Articles and any relevant provisions of any shareholders' agreement, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director and Directors may otherwise be appointed in accordance with any relevant provisions of any shareholders' agreement.
- 14.2 The Company will have a Board of Directors, which on the Adoption Date will consist of five individuals elected as follows:
- 14.2.1 one (1) Director (**CR Designee**) shall be designated by Christopher Roberts, who on the Adoption Date shall be Christopher Roberts; provided, that if Christopher Roberts dies or becomes an Incapacitated Director, then such seat shall instead be designated by Erin Roberts; provided further, that if Erin Roberts dies or becomes an Incapacitated Director, then such seat instead shall be designated by CIG Corp;
  - 14.2.2 one (1) Director (**ER Designee**) shall be designated by Erin Roberts, who on the Adoption Date shall be Erin Roberts; provided, that if Erin Roberts dies or becomes an Incapacitated Director, then such seat shall instead be designated by Ortwin Freyermuth; provided further, that if Ortwin Freyermuth dies or becomes an Incapacitated Director, then such seat instead shall be designated by CIG Corp;
  - 14.2.3 one (1) Director (**OF Designee**) shall be designated by Ortwin Freyermuth, who on the Adoption Date shall be Ortwin Freyermuth; provided, that if Ortwin Freyermuth dies or becomes an Incapacitated Director, then such seat shall instead be designated by Erin Roberts; provided further, that if Erin Roberts dies or becomes an Incapacitated Director, then such seat instead shall be designated by CIG Corp;
  - 14.2.4 one (1) Director shall be designated by Investor (**Investor Designee**), so long as Investor and/or its Permitted Transferees continue to hold at least fifty percent (50%) of the Shares purchased by Investor on the Adoption Date (subject to adjustments for any Share split, combination or similar actions and without taking into account any Shares transferred pursuant to its co-sale rights pursuant to Article 28 or such other adjustment as otherwise provided in any relevant provisions of any shareholders' agreement), who on the Adoption Date shall be Daniel O'Connell Offner. If Investor is no longer eligible to designate a Director pursuant to this Article 14.2.4, then this seat shall instead be designated by a Majority in Interest of the Shareholders; and
  - 14.2.5 Eli Klein shall serve as a Director for so long as Infatrade is a Shareholder; provided, that if Eli Klein dies, becomes an Incapacitated Director, resigns, or is no longer a Director for any other reason, then the size of the Board shall be reduced by one (1) Director and there shall be no replacement for Eli Klein.
- Notwithstanding the foregoing, if any Director loses designation rights pursuant to this Article 14.2 because such Director is an Incapacitated Director, such Director shall be reinstated and regain his designation rights pursuant to this Article 14.2 if and when such Director is no longer an Incapacitated Director.
- 14.3 The Board may be increased at any time or from time to time by the affirmative vote of Christopher Roberts, who may increase the size of the Board by one (1) Director; provided, that Christopher Roberts may also increase the size of the Board by one (1) Director for each Person who acquires at least 10% of the issued Shares of the Company after the Adoption Date in order to permit a designee of such Person to be appointed to the Board, up to an aggregate maximum overall increase pursuant to this Article 14.3 of three (3) Directors. The additional Directors will be designated by Christopher Roberts.
- 14.4 Subject to the provisions of law or any limitations in the Companies Act 2006 and to any shareholders' agreement and the Articles, the business and affairs of the Company will be managed and all powers, including without limitation, the reacquisition or repurchase of Shares, will be exercised, by or under the direction of the Board, provided, however, that no Director will have the authority to bind the Company unless authorised to do so by the Board.



- 14.5 Except as specifically set forth in any shareholders' agreement, the Shareholders delegate all power and authority to manage the business and affairs of the Company to the Board. The Board will delegate the management of the day-to-day operation of the business of the Company to the Directors as the Board determines appropriate, who will have the authority to bind the Company (provided that they are authorised to do so by the Board).
- 14.6 In any case where, as a result of death, the Company has no Shareholders and no Directors, the personal representatives of the last Shareholder to have died have the right, by notice in writing, to appoint a person to be a Director.
- 14.7 For the purposes of Article 14.6, where 2 or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder.

**15. Termination of Director's appointment**

- 15.1 Subject to the Articles and any relevant provisions of any shareholders' agreement, a person ceases to be a Director as soon as:
- 15.1.1 that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a Director by law;
  - 15.1.2 a bankruptcy order is made against that person;
  - 15.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 15.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months; or
  - 15.1.5 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms.
- 15.2 A Director may resign at any time by giving written notice to the Board. The resignation of a Director will take effect upon receipt of notice thereof or at such later time as will be specified in such notice; unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective.
- 15.3 A Director may be removed at any time, with or without cause, by the affirmative vote of the Shareholders or group of Persons entitled to elect such Director pursuant to Article 14.2. In addition, a Director shall automatically be deemed removed, without any action on the part of the Board or any Shareholder, in the event of such Director's conviction for fraud or embezzlement or misappropriation of Company assets.
- 15.4 If a Director ceases to be a Director for any reason, a successor Director may be appointed by the affirmative vote of the Shareholders or group of Shareholders entitled to elect such Director pursuant to Article 14.2.

**16. Directors' exclusive duty to the Company**

- 16.1 No Director shall serve as an executive officer or board member of any Person that is a direct competitor of any CIG Group Company, as determined in good faith by the Board; provided that the foregoing restriction shall not apply to Daniel O'Connell Offner, Keith Calder, Rami Harawi and Eli Klein at any time any of them is a Director. The fact that a Person develops video games will not, in and of itself, necessarily make such Person a direct competitor of the Company or its subsidiaries if such video games are in a different game genre than those being developed or marketed by the Company and its subsidiaries.
- 16.2 None of the Directors or their respective Affiliates will be required to manage the Company as their sole and exclusive function (except as otherwise provided for in such Director's employment agreement with the Company, as applicable), and each of the Directors and their respective Affiliates will be entitled to and may have business interests and may engage in other business activities in addition to those relating to the Company, and may engage in the ownership, operation and management of businesses and activities for their own accounts and for the account of others (in each case, except as otherwise provided for in such Director's

employment agreement with the Company, as applicable), without having or incurring an obligation to offer any interest in such properties, businesses or activities to the Company or any other Shareholder, and no other provision of the Articles or any shareholders' agreement will be deemed to prohibit any Director or his or her respective Affiliates from conducting such other businesses or activities.

- 16.3 For an avoidance of doubt, this Article 16 is not intended to limit or affect in any way any written agreements currently in effect or effective after the Adoption Date between the Company and a particular Director.

**17. Directors' remuneration**

- 17.1 Subject to the Articles and any relevant provisions of any shareholders' agreement, Directors may undertake any services for the Company that the Directors decide.

- 17.2 Subject to the Articles and any relevant provisions of any shareholders' agreement, Directors are entitled to such remuneration as the Directors determine:

17.2.1 for their services to the Company as Directors; and

17.2.2 for any other service which they undertake for the Company.

- 17.3 A Director's remuneration may:

17.3.1 take any form; and

17.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

- 17.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

- 17.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

**18. Directors' expenses**

- 18.1 Subject to the Articles and any relevant provisions of any shareholders' agreement, the Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

18.1.1 meetings of Directors or committees of Directors;

18.1.2 general meetings; or

18.1.3 separate meetings of the holders of any class of Shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

**19. Board observers**

Subject to the Articles and any relevant provisions of any shareholders' agreement, for so long as Investor and its Permitted Transferees continue to hold at least fifty percent (50%) of the Shares subscribed by Investor on the Adoption Date (subject to adjustments for any share split, combination or similar actions and without taking into account any Shares transferred pursuant to its co-sale right pursuant to Article 28), Investor shall be entitled to designate up to two (2) observers to attend, in a non-voting capacity, any meetings of the Board and committees thereof, and in the case of telephonic meetings conducted in accordance with any shareholders' agreement and applicable law, such Board observers shall be given the opportunity to listen to such telephonic meetings; Investor designates Keith Calder as its Board observer on the Adoption Date. The Board observers shall be entitled to receive written materials and other information (including, without limitation, copies of meeting minutes) given to the Board in connection with such meetings. Each such Board observer shall hold information received in his or her capacity as a Board observer subject to reasonable

standards of confidentiality. Notwithstanding the foregoing, a majority of the Board present at any meeting shall have the right to exclude such Board observers from portions of meetings of the Board (or meetings of other committees thereof) or omit to provide such Board observers with certain information if the Board believes in good faith, based on the advice of Company counsel, that such exclusion or omission is necessary in order to avoid a conflict-of-interest or to prevent a breach of attorney-client privilege.

## **PART 3 – SHARES AND DISTRIBUTIONS**

### **SHARES**

#### **20. All Shares to be fully paid up**

- 20.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 20.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

#### **21. Powers to issue different classes of Share**

- 21.1 Subject to the Articles and any shareholders' agreement, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.
- 21.2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares.
- 21.3 In accordance with section 567(1) of the Companies Acts, sections 561 and 562 of the Companies Acts shall not apply to any allotment of equity securities made by the Company, and the Company may only issue Shares in accordance with the Articles and any relevant provisions of any shareholders' agreement.

#### **22. Right of first offer**

- 22.1 Except as set forth in Article 22.4, if the Company proposes to make any future issue of any Securities, the Company will deliver written notice (**Proposal Notice**) to each of Investor, Erloch UK, ITG, and Infatrade (each an **Offeree**) and offer to sell to such Offeree up to its pro rata portion of the entire amount of such Securities based on its respective Percentage Interest. The Proposal Notice will describe the terms of the offering in reasonable detail, including, without limitation, the Securities offered and the price and other material terms thereof.
- 22.2 In order to exercise its purchase rights hereunder, an Offeree must deliver a written notice to the Company within twenty (20) days after delivery of the Proposal Notice by the Company. Any purchase of Securities by an Offeree will be on the material terms set forth in the Proposal Notice and each Offeree will be entitled (by written notice to the Company) to assign its rights under this Article 22 to any of its Affiliates.
- 22.3 In the event that an Offeree fails, within the time period set forth above, to elect to purchase all of its pro rata portion of the Securities offered to it pursuant to a Proposal Notice, then the Company shall promptly give written notice of such fact to the other Offerees who have fully elected their pro rata right to purchase. Such other Offerees shall have the right, by written notice to the Company within ten (10) days after the Company's notice described in the preceding sentence, to purchase up to their pro rata portions of such Securities not elected to be purchased based on the respective number of Securities such Offerees elect to purchase pursuant to Article 22.2. If the Offerees do not elect to purchase in the aggregate all of the Securities the Company proposes to issue as set forth in the Proposal Notice, then the Company will have ninety (90) days thereafter to sell such Securities with respect to which the Offerees' rights were not exercised, at a price not less than, and upon other terms not materially more favourable to the purchasers thereof than, specified in the Proposal Notice. In the event that the Company has not issued and sold the

Securities within such ninety (90)-day period, then the Company will not thereafter issue or sell any Securities without again first offering such Securities to the Offerees pursuant to this Article 22.

- 22.4 Provided that the relevant issuance is otherwise permitted under any shareholders' agreement, the provisions of Article 22.1 shall not be applicable to any issuance of (i) equity of a Successor Corporation in a Public Offering; (ii) Securities issued pursuant to any equity incentive plan approved in accordance with Article 57, or Securities otherwise issued to employees, consultants, directors or advisors of the Company; (iii) Securities to financial institutions, equipment lessors, landlords or similar independent Persons in connection with commercial credit arrangements, equipment financings, commercial property lease transactions or similar transactions involving the provision of goods and services and approved by the Board, in the manner set forth herein; (iv) Securities issued pursuant to currently outstanding warrants, notes, or other rights to acquire securities of the Company, if any; (v) Securities issued in connection with joint ventures, development projects, acquisition transactions (including through a merger or similar transaction) and strategic partnership transactions; (vi) Securities issued in connection with any share splits, share distributions, recapitalisation and the like; (vii) Securities issued in a Sale of the Company; and (viii) Securities issued in any other transaction approved by the affirmative vote of Investor; (ix) Securities issued pursuant to any agreement entered into on or around the Adoption Date; (x) Securities issued to any entities detailed as competitors by the Board and other entities that are: engaged in the business of game publishing or game development; hardware and software platforms; intellectual property development and distribution companies; or game community platforms or social media companies related to game community platforms; and (xi) Securities issued to any entity that has a material commercial relationship with the Company at the time of such proposed issuance of Securities provided that issuances pursuant to this clause (xi) shall not in the aggregate exceed 2% of the issued Shares.
- 22.5 If any consideration offered for the Securities by the proposed purchaser set forth in a Proposal Notice consists of rights, interests or property other than money or an obligation to pay money, the Board (excluding any Director who has a financial interest in the transaction other than due to holding a direct or indirect equity interest in the Company) shall, in good faith, determine the fair market value of that consideration in monetary terms as of the date of the Proposal Notice. The purchase price payable by an Offeree pursuant to this Article 22 shall be paid in the form of money and an Offeree need not transfer to the Company the actual rights, interests or property offered by the proposed purchaser nor afford the Company the same tax treatment which would have been available to it in an issuance to the proposed purchaser.
- 22.6 The provisions of this Article 22 shall terminate and be of no further force or effect (i) immediately prior to the consummation of an Initial Public Offering or (ii) upon a Liquidation Event.

**23. Company not bound by less than absolute interests**

- 23.1 Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

**24. Share certificates**

- 24.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 24.2 Every certificate must specify:
- 24.2.1 in respect of how many Shares, of what class, it is issued;
  - 24.2.2 the nominal value of those Shares;
  - 24.2.3 that the Shares are fully paid; and
  - 24.2.4 any distinguishing numbers assigned to them.
- 24.3 No certificate may be issued in respect of Shares of more than one class.

24.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

24.5 Certificates must:

24.5.1 have affixed to them the Company's common seal; or

24.5.2 be otherwise executed in accordance with the Companies Acts.

**25. Replacement share certificates**

25.1 If a certificate issued in respect of a Shareholder's Shares is:

25.1.1 damaged or defaced; or

25.1.2 said to be lost, stolen or destroyed, that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

25.2 A Shareholder exercising the right to be issued with such a replacement certificate:

25.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

25.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

25.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

**26. Share Transfers**

26.1 Any purported Transfer of a Share that is in contravention of any shareholders' agreement will be null and void and of no effect whatsoever; provided, however, that, if the Company is required to recognise a Transfer that is in contravention of any shareholders' agreement neither the Transferee nor the Transferor will have any rights as to the management of the Company with respect to such Transferred or purportedly Transferred Shares.

26.2 In the case of a Transfer or attempted Transfer of a Share that is in contravention of any shareholders' agreement, the parties engaging or attempting to engage in such Transfer will be liable to indemnify and hold harmless the Company and the other Shareholders from all costs, liability and damage that any of such indemnified Persons may incur (including, without limitation, incremental tax liability and attorneys' fees and expenses) as a result of such Transfer or attempted Transfer and efforts to enforce the indemnity granted hereby.

26.3 Notwithstanding anything contained herein to the contrary, the Transfer or attempted Transfer of a Share by a Shareholder to a Competitor will be null and void and of no effect whatsoever. As used in this Article 26.3, the term **Competitor** means any Person who the Board determines in good faith, whether alone or as a partner, joint venturer, officer, director, consultant, agent, employee, independent contractor or shareholder of any company, is engaged in any business or other commercial activity which is, directly or indirectly, competitive with the products or services being designed, conceived, developed, marketed, distributed or sold by the Company at the time of such proposed Transfer; provided, however, that a Person who is a shareholder of a Competitor that is a corporation shall not, by virtue of share ownership alone, constitute a Competitor itself if the share capital of such corporation is publicly traded and such Person does not beneficially own more than one percent (1%) of the issued shares of such corporation.

26.4 A Transfer of a Share that is permitted under any shareholders' agreement will not be given effect by the Company unless and until the following conditions are satisfied:

26.4.1 the Transferor and Transferee will execute and deliver to the Company such documents and instruments of transfer as may be necessary in the reasonable opinion of solicitors to the Company (including, without limitation, a counterpart signature page to any shareholders' agreement) to effect

such Transfer and to confirm the agreement of the Transferee to be bound by the provisions of any shareholders' agreement;

26.4.2 the Transferor and Transferee will furnish the Company with sufficient information to permit the Company to file all required tax returns and other legally required information statements or returns. Without limiting the generality of the foregoing, the Company will not be required to make any Distribution otherwise provided for in any shareholders' agreement with respect to any Transferred Shares until it has received such information; and

26.4.3 each Shareholder Transferring Shares pursuant to this Article 26.4 will pay its pro rata share of the expenses incurred by the Company in connection with such Transfer.

## **27. Rights of first refusal**

27.1 Each Shareholder will not, whether voluntarily or by operation of law, Transfer any Shares, whether now owned or hereafter acquired by such holder, except for Permitted Transfers, unless such Shareholder has first complied with the provisions of this Article 27 and Article 28. For the avoidance of doubt, the foregoing restriction shall also apply to (i) any Transfer of beneficial interests in any Shareholder or any other Person through which Investor, Erloch UK, Infatrade, any Principal, any control Person of any Shareholder, or any of their respective Permitted Transferees directly or indirectly holds Shares and (ii) any issuance of equity or convertible equity interests by any Shareholder or any other Person through which Investor, Erloch UK, Infatrade, any Principal, any control Person of any other Shareholder, or any of their respective Permitted Transferees directly or indirectly holds Shares. For purposes of the application of this Article 27 and Article 28, (x) such proposed Transfer of beneficial interests described in clause (i) above shall be deemed a proposed Transfer of a proportionate number of Shares by the Shareholder whose beneficial interests are proposed to be Transferred and (y) such proposed issuance of equity or convertible interests described in clause (ii) shall be deemed a proposed Transfer of a proportionate number of Shares by the Shareholder who, directly or through a holding company, is proposing to issue equity or interests convertible into equity.

27.2 In the event that a Shareholder (or a Permitted Transferee) wishes to transfer Shares (**Selling Shareholder**), other than as a Permitted Transfer, (i) the Company will have a right of first refusal (**Company Refusal Right**) on the terms of this Article 27 with respect to the Shares to be transferred (**Offered Shares**) at the same price and on the same terms and conditions as those offered to the prospective Transferee and (ii) such Selling Shareholder will deliver a written notice (**Sale Notice**) to the Company, disclosing in reasonable detail the identity of the proposed Transferee(s), the number of Offered Shares, and all material terms and conditions of the proposed Transfer. The Company will have a period of twenty (20) days from the date of delivery of the Sale Notice to give written notice (**Company Notice**) to the Selling Shareholder of its decision whether or not to purchase some or all of the Offered Shares.

27.3 If the Company either fails to deliver the Company Notice within such twenty (20)-day period, elects to purchase less than all of the Offered Shares set forth in the Sale Notice or is prohibited by the Companies Act 2006 from purchasing all or some of the Offered Shares, the Selling Shareholder shall promptly give an additional written notification to each other Shareholder setting forth the number of Offered Shares that the Company did not elect to purchase (**Additional Selling Shareholder Notice**). Each such Shareholder shall have ten (10) days from the date such Additional Selling Shareholder Notice is given to elect to purchase up to its pro rata share (**Secondary Refusal Right**), based on its Percentage Interest, of the Offered Shares set forth in the Additional Selling Shareholder Notice that the Company did not elect to purchase, by giving written notice to the Selling Shareholder and the other Shareholders (**Shareholder Notice**). If any Shareholder fails to deliver the Shareholder Notice within such ten (10)-day period, it shall be deemed to have waived its right of first refusal under this Article 27.3.

27.4 If options to purchase have been exercised by the Company and/or the other Shareholders with respect to some but not all of the Offered Shares by the end of the ten (10)-day period specified in Article 27.3 (**Shareholder Notice Period**), then the Company shall, immediately after the expiration of the Shareholder Notice Period, send written notice (**Company Undersubscription Notice**) to those Shareholders who fully exercised their Secondary Refusal Right within the Shareholder Notice Period (**Exercising Shareholders**). Each Exercising Shareholder shall, subject to the provisions of this Article 27.4, have an additional option to purchase all or any part of the balance of any such remaining unsubscribed Offered Shares on the terms and conditions set forth in the Sale Notice. To exercise such option, an Exercising Shareholder must deliver a

notice to the Company and the Selling Shareholder stating its intention to exercise its option to purchase all or any portion of the Offered Shares not purchased pursuant to Company Refusal Right or Secondary Refusal Right (**Undersubscription Notice**). The Undersubscription Notice must be delivered to the Selling Shareholder and the Company within ten (10) days after the expiration of the Shareholder Notice Period. In the event there are two (2) or more such Exercising Shareholders that choose to exercise the aforementioned option for a total number of remaining Offered Shares in excess of the number available, the remaining Offered Shares available for purchase under this Article 27.4 shall be allocated among such Exercising Shareholders pro rata based on the number of Offered Shares such Exercising Shareholders have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any Offered Shares that any such Exercising Shareholder has elected to purchase pursuant to the Undersubscription Notice). If the options to purchase the remaining Offered Shares are exercised in full by the Exercising Shareholders, the Company shall immediately notify in writing all of the Exercising Shareholders and the Selling Shareholder of that fact.

- 27.5 If the Company and/or any Shareholders have exercised the rights of first refusal described in this Article 27, then the closing of the purchase and sale of the Offered Shares will take place on a date agreed upon by the Selling Shareholder and purchaser or purchasers of the Offered Shares, but in any event within sixty (60) days following the earlier of the full exercise or expiration of the rights of purchase set forth in this Article 27, at the principal office of the Company on the terms and conditions set forth in the Sale Notice.
- 27.6 If any consideration offered for the Offered Shares set forth in the Sale Notice consists of rights, interests or property other than money or an obligation to pay money, the Board (excluding any Director who has a financial interest in the transaction other than due to holding a direct or indirect equity interest in the Company) shall, in good faith, determine the fair market value of that consideration in monetary terms as of the date of the Sale Notice. The purchase price payable by the Company and/or the Shareholders pursuant to this Article 27 shall be paid in the form of money and neither the Company nor the purchasing Shareholders need transfer to the Selling Shareholder the actual rights, interests or property offered by the proposed Transferee nor afford the Selling Shareholder the same tax treatment which would have been available to it in a sale to the proposed Transferee.
- 27.7 For purposes of this Article 27, a **Permitted Transfer** will mean:
- 27.7.1 any repurchase or buy back of Shares by the Company, including pursuant to a right of repurchase or buy back upon the termination of the transferring Shareholder's employment, office as Director or consulting relationship with the Company;
- 27.7.2 any Transfer to the ancestor, descendant, sibling or spouse of a transferring Shareholder or a Person who as of the Adoption Date is a beneficial owner of such transferring Shareholder, or to a trust for the sole benefit of such transferring Shareholder, such beneficial owner or his or her ancestors, descendants, siblings or spouse, or to another entity (including, but not limited to, a corporation, limited liability company or partnership) that is owned and controlled entirely by such transferring Shareholder, such beneficial owner or his or her ancestors, descendants, siblings or spouse, in each case solely for estate or tax planning purposes;
- 27.7.3 any distribution of securities made without monetary consideration to the owners of a transferring Shareholder (or a Person who as of the Adoption Date is a beneficial owner of a Shareholder) that is a partnership, limited liability company or corporation;
- 27.7.4 any Transfer among Investor, US Investor, Erloch UK, Erloch US, a Person who as of the Adoption Date is a beneficial owner of Investor, US Investor, Erloch UK, Erloch US, ITG or Infatrade, a Person who is owned and controlled entirely by Investor, US Investor, Erloch UK, Erloch US, Infatrade, ITG and/or a Person who as of the Adoption Date is beneficial owner of Investor, US Investor, Erloch UK, Erloch US, Infatrade or ITG and a Permitted Transferee of the type described in clause (ii) or (iii) above of the foregoing Persons; or
- 27.7.5 any Transfer among CIG Corp, any Principal, a Person who is owned and controlled entirely by one or more of the Principals, and a Permitted Transferee of the type described in clause (ii) or (iii) above of the foregoing Persons.

provided, however, in each case, that the Transferee (each a **Permitted Transferee**) will furnish the Company with a deed of adherence to any shareholders' agreement in a form acceptable to the Board.

**28. Co-Sale Right**

- 28.1 To the extent that the right of first refusal set forth in Article 27 applies to a Transfer but is not fully exercised by the Shareholders, following the exercise or expiration of the rights of purchase set forth in Article 27, each Shareholder that does not exercise its Secondary Refusal Right will have the right (**Co-Sale Right**), to sell up to its Pro Rata Share, to the purchaser, on other material terms and conditions specified in the Sale Notice. Each such Shareholder who desires to exercise its Co-Sale Right (each, a **Participating Shareholder**) must give the Selling Shareholder written notice to that effect within ten (10) days after the Additional Selling Shareholder Notice is given, and upon giving such notice such Participating Shareholder shall be deemed to have effectively exercised its Co-Sale Right. If any such Shareholder fails to deliver its notice within such ten (10)-day period, it shall be deemed to have waived its Co-Sale Right under this Article 28.
- 28.2 To the extent Participating Shareholders exercise Co-Sale Rights in accordance with the terms and conditions set forth below, the number of Shares which the Selling Shareholder may sell to the purchaser specified in the Sale Notice will be correspondingly reduced. The Co-Sale Right will be subject to the terms and conditions set forth in this Article 28.
- 28.3 Each Participating Shareholder may sell all or any part of that number of Shares equal to the product obtained by multiplying (i) the aggregate number of Offered Shares subject to the Co-Sale Right and not purchased by the Company or the Shareholders pursuant to Article 27 by (ii) a fraction, the numerator of which is the number of Shares at the time of the Sale Notice owned by such Participating Shareholder and the denominator of which is the sum of (A) the total number of Shares at the time of the Sale Notice owned by all Participating Shareholders plus (B) the total number of Shares at the time of the Sale Notice owned by the Selling Shareholder (excluding Shares to be purchased by the Company or the Shareholders pursuant to Article 27) (such product to be defined as such Shareholder's **Pro Rata Share**).
- 28.4 The Participating Shareholders and the Selling Shareholder agree that the terms and conditions of any proposed Transfer in accordance with this Article 28 will be memorialised in, and governed by, a written purchase and sale agreement with the Prospective Transferee (**Purchase and Sale Agreement**) with the material terms and conditions set forth in the Sale Notice and such other terms and provisions that are customary for such a transaction, and the Participating Shareholders and the Selling Shareholder further covenant and agree to enter into such Purchase and Sale Agreement as a condition precedent to any sale or other transfer in accordance with this Article 28. Notwithstanding anything to the contrary, in connection with a proposed Transfer in accordance with this Article 28, (i) each Participating Shareholder will only be required to make representations and warranties as to its due power and authority and ownership of Shares, free and clear of all liens; (ii) each Participating Shareholder will be severally, and not jointly, obligated on a pro rata basis (based on such Participating Shareholder's share of the aggregate proceeds paid with respect to its Shares) with respect to any purchase price adjustment or indemnification obligation other than any such obligations that relate solely to such Participating Shareholder, such as indemnification with respect to representations and warranties given by such Shareholder regarding such Participating Shareholder's title to and ownership of Shares; (iii) no Participating Shareholder will be obligated to indemnify any Person with respect to an amount in excess of the net proceeds paid to such Participating Shareholder; (iv) any escrow of proceeds will be withheld on a pro rata basis among the Selling Shareholder and all Participating Shareholders based on the number of Shares sold by them; and (v) no Participating Shareholder shall be required to be bound by any non-competition, non-solicitation or similar agreements.
- 28.5 Notwithstanding Article 28.3 above, upon the failure of any Transferee (each, a **Prospective Transferee**) to purchase Shares subject to the Co-Sale Right from any Participating Shareholder or to negotiate a Purchase and Sale Agreement reasonably satisfactory to the Participating Shareholders (the reasonable satisfaction of which shall be determined based on whether the Purchase and Sale Agreement conforms to the requirements of Article 28.4 above), no Selling Shareholder may sell any Shares to such Prospective Transferee or Transferees unless and until, simultaneously with such sale, such Selling Shareholder purchases all Shares subject to the Co-Sale Right from such Participating Shareholder or Shareholders on the same material terms and conditions (including the proposed purchase price) as set forth in the Sale Notice. In connection with such purchase by the Selling Shareholder, such Participating Shareholder or Shareholders shall deliver to the Selling Shareholder any share certificate or certificates, representing the Shares being purchased by the Selling



Shareholder (or request that the Company effect such transfer in the name of the Selling Shareholder). Any such Shares transferred to the Selling Shareholder will be transferred to the Prospective Transferee against payment therefor in consummation of the sale of Shares pursuant to the terms and conditions specified in the Sale Notice, and the Selling Shareholder shall concurrently therewith remit or direct payment to each such Participating Shareholder the portion of the aggregate consideration to which each such Participating Shareholder is entitled by reason of its participation in such sale as provided in this Article 28.5.

- 28.6 To the extent that the Company and the Shareholders do not elect to purchase in full the Shares subject to the Sale Notice, the Selling Shareholder may, not later than sixty (60) days following the expiration of the rights set forth in Article 27 if Article 28 does not apply and not later than sixty (60) days following the expiration of the rights set forth in Article 28, if Article 28 does apply, consummate the Transfer of the Shares covered by the Sale Notice that are not purchased by the Company or the other Shareholders pursuant to Article 27 on material terms and conditions as described in the Sale Notice. Any proposed Transfer on terms and conditions materially different than those described in the Sale Notice, as well as any subsequent proposed Transfer of Shares by a Selling Shareholder, will again be subject to the rights set forth in Article 27 and this Article 28.
- 28.7 The provisions of Article 27 and this Article 28 shall terminate and be of no further force or effect (i) immediately prior to the consummation of an Initial Public Offering, or (ii) upon a Liquidation Event.

**29. Drag-Along Rights**

- 29.1 In the event of a Reincorporation or a Sale of the Company pursuant to clause (ii) of the definition thereof, in each case that is approved by the Board and a Majority in Interest of the Shareholders, and if required pursuant to Article 57, Investor (**Approved Sale**), each Shareholder (any such Shareholder, a **Subject Shareholder**) will vote for, consent to and raise no objections against such Approved Sale. If the Approved Sale is structured as (i) a merger or consolidation, each Subject Shareholder holding Shares will (a) perform all such acts as may be necessary to effect such merger or consolidation, or (ii) a sale of Shares, each Subject Shareholder will agree to sell all of its Shares and rights to acquire Shares on the terms and conditions approved as described above. Each Subject Shareholder holding Shares will take all necessary or desirable actions in connection with the consummation of an Approved Sale as reasonably requested by the Board.
- 29.2 The obligations of the Subject Shareholders holding Shares with respect to an Approved Sale are subject to the satisfaction of the following conditions: (i) the consideration, if any, payable upon consummation of such Approved Sale to all Shareholders will be allocated among and paid to the Shareholders in accordance with Article 58.2; (ii) upon the consummation of the Approved Sale, all of the Shareholders holding Shares of a particular class will receive (or will have the option to receive) the same form of consideration and the same per Share amount of consideration for such class; and (iii) if the Approved Sale is for less than all of the issued Shares in the Company, the Shares will be purchased pro rata from each Shareholder based on its Percentage Interest.
- 29.3 Notwithstanding anything to the contrary, in connection with an Approved Sale, (i) each Shareholder will only be required to make representations and warranties as to its due power and authority and ownership of Shares, free and clear of all liens; (ii) each Shareholder will be severally, and not jointly, obligated on a pro rata basis (based on such Shareholder's share of the aggregate proceeds paid with respect to its Shares) with respect to any purchase price adjustment or indemnification obligation other than any such obligations that relate solely to such Shareholder, such as indemnification with respect to representations and warranties given by such Shareholder regarding such Shareholder's title to and ownership of Shares; (iii) no Shareholder will be obligated to indemnify any Person with respect to an amount in excess of the net proceeds paid to such Shareholder; (iv) any escrow of proceeds will be withheld on a pro rata basis among all Shareholders based on the number of Shares sold by them; and (v) no Shareholder shall be required to be bound by any non-competition, non-solicitation or similar agreements, except as may be set forth in such Shareholder's employment agreement. Each Subject Shareholder will enter into any indemnification or contribution agreement requested by the Board that is consistent with the terms of any shareholders' agreement to ensure compliance with this Article 29.3.

**30. Transmission of Shares**

- 30.1 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share.
- 30.2 A transmittee who produces such evidence of entitlement to Shares as the Directors may properly require:
- 30.2.1 may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person; and
- 30.2.2 subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had.
- 30.3 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares.

**31. Exercise of transmittees' rights**

- 31.1 Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.
- 31.2 If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 31.3 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

**32. Transmittees bound by prior notices**

- 32.1 If a notice is given to a Shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the Shareholder before the transmittee's name has been entered in the register of members.

**DISTRIBUTIONS**

**33. Procedure for declaring Distributions**

- 33.1 Distributions other than Distributions in connection with a Liquidation Event (which will be subject to Article 33.2) will be made to the Shareholders in proportion to their respective Percentage Interests as set forth herein. Unless otherwise prohibited by English law governing distributions to shareholders, the Board will declare Distributions to its Shareholders in proportion to their respective Percentage Interests no later than 1 October of each Taxable Year of the Company in an aggregate amount equal to at least twenty percent (20%) of the profits of the Company for the preceding Taxable Year, as determined by the Board in good faith based on GAAP; provided, however, that so long as the combined aggregate Distributions of the Company and CIG US are equal to at least twenty percent (20%) of the aggregate profits of the Company and CIG US for the preceding Taxable Year, as determined by the boards of directors of the Company and CIG US in good faith based on GAAP and the International Financial Reporting Standards, respectively, the Company shall not be required to declare Distributions in an aggregate amount equal to at least twenty percent (20%) of the profits of the Company for the preceding Taxable Year. Notwithstanding the foregoing, if Available Cash, as determined by the Board, is insufficient to make the Distributions declared by the Board pursuant to the first two sentences of this Article 33.1, the Distributions to be paid by the Company under this Article 33.1 will be reduced on a pro rata basis among all Shareholders. Except as provided in this Article 33.1, the Company will not declare or make any such Distributions unless such Distribution is declared by the Board. If at the time of any Distribution pursuant to this Article 33.1 there is any loan outstanding from the Company to any Shareholder, the Company shall withhold Distributions that would otherwise be payable to that Shareholder and apply those Distributions instead to the repayment of such loan and all accrued and unpaid interest thereon.

33.2 Subject to Articles 58.2.1 and 58.2.2, Distributions in connection with a Liquidation Event will be made to the holders of all issued Shares, proportionate with their respective Percentage Interests. To the extent that the Company is required by law to withhold or to make tax or other payments on behalf of or with respect to any Shareholder, the Company will withhold such amounts from any Distribution and make such payments as so required. For purposes of any shareholders' agreement, any such payments or withholdings will be treated as a Distribution to the Shareholder on behalf of whom the withholding or payment was made. If at the time of any Distribution pursuant to this Article 33.2 there is any loan outstanding from the Company to any Shareholder, the Company shall withhold Distributions that would otherwise be payable to that Shareholder and apply those Distributions instead to the repayment of such loan and all accrued and unpaid interest thereon.

**34. Payment of dividends and other Distributions**

34.1 Where a dividend or other sum which is a Distribution is payable in respect of a Share, it must be paid by one or more of the following means:

34.1.1 transfer to a bank or building society account specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;

34.1.2 sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Directors may otherwise decide;

34.1.3 sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in writing or as the Directors may otherwise decide; or

34.1.4 any other means of payment as the Directors agree with the Distribution Recipient either in writing or by such other means as the Directors decide.

34.2 In the Articles, the **Distribution Recipient** means, in respect of a Share in respect of which a dividend or other sum is payable:

34.2.1 the holder of the Share; or

34.2.2 if the Share has two or more joint holders, whichever of them is named first in the register of members; or

34.2.3 if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

**35. No interest on Distributions**

35.1 The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the Articles and any relevant provisions of any shareholders' agreement and:

35.1.1 the terms on which the Share was issued; or

35.1.2 the provisions of another agreement between the holder of that Share and the Company.

**36. Unclaimed Distributions**

36.1 All dividends or other sums which are:

36.1.1 payable in respect of Shares; and

36.1.2 unclaimed after having been declared or become payable, may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

36.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

36.3 If:

36.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and

36.3.2 the Distribution Recipient has not claimed it, the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

### **37. Non-cash Distributions**

37.1 Subject to the Articles and any relevant provisions of any shareholders' agreement and the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other Distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any Company).

37.2 For the purposes of paying a non-cash Distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the Distribution:

37.2.1 fixing the value of any assets;

37.2.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

37.2.3 vesting any assets in trustees.

### **38. Waiver of Distributions**

38.1 Distribution recipients may waive their entitlement to a dividend or other Distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

38.1.1 the Share has more than one holder; or

38.1.2 more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

## **CAPITALISATION OF PROFITS**

### **39. Authority to capitalise and appropriation of capitalised sums**

39.1 Subject to the Articles and any shareholders' agreement, the Directors may, if they are so authorised by an ordinary resolution and the prior written consent of all Shareholders:

39.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

39.1.2 appropriate any sum which they so decide to capitalise (a **Capitalised Sum**) to the persons who would have been entitled to it if it were distributed by way of dividend (the **Persons Entitled**) and in the same proportions.

39.2 Capitalised sums must be applied:

39.2.1 on behalf of the persons entitled; and

39.2.2 in the same proportions as a dividend would have been distributed to them.

- 39.3 Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 39.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 39.5 Subject to the Articles the Directors may:
- 39.5.1 apply capitalised sums in accordance with Articles 39.3 and 39.4 partly in one way and partly in another;
  - 39.5.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
  - 39.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

#### **PART 4 – DECISION-MAKING BY SHAREHOLDERS**

##### **40. Written resolutions**

A resolution of the Shareholders may be passed as a written resolution pursuant to Chapter 2 of the Companies Act 2006 and in accordance with the Articles and any relevant provisions of any shareholders' agreement.

#### **ORGANISATION OF GENERAL MEETINGS**

##### **41. Meetings of Shareholders**

- 41.1 Meetings of the Shareholders will be held at such date and time as the Board may fix from time to time. Additionally, a general meeting of shareholders may be called by any Shareholder or Shareholders holding collectively at least five percent (5%) of the Shares entitled to vote on the matter(s) to be considered at the meeting. For an avoidance of doubt, any action set forth in Article 57 shall require the prior written consent of Investor, regardless of whether a meeting of the Shareholders occurs on such matter.
- 41.2 The Board may designate any place as the place of meeting for any meeting of the Shareholders, including designating that a meeting of the Shareholders occurs electronically via Skype, videoconference, teleconference or a similar electronic means of communication. If no designation is made, the place of meeting will be the principal office of the Company. If a general meeting of shareholders is called by any Shareholder or Shareholders pursuant to Article 41.1, the place of meeting will be the principal office of the Company or via Skype, videoconference, teleconference or a similar electronic means of communication, as designated by such Shareholder or Shareholders.
- 41.3 Except as provided in Article 41.9, written notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called will be delivered not less than ten (10) Business Days nor more than sixty (60) days before the date of the meeting, by or at the direction of the Board or person calling the meeting, to each Shareholder entitled to vote at such meeting, in accordance with any relevant provisions of any shareholders' agreement.
- 41.4 If all of the Shareholders entitled to vote on a matter consent to the holding of a meeting at such time and place, such meeting will be valid without call or notice, and at such meeting lawful action may be taken.
- 41.5 For the purpose of determining Shareholders entitled to notice of or to vote at any meeting of Shareholders or any adjournment thereof, or in order to make a determination of Shareholders for any other purpose, the date on which notice of the meeting is mailed will be the record date for such determination of Shareholders.

When a determination of Shareholders entitled to vote at any meeting of Shareholders has been made as provided in this Article 41.5, such determination will apply to any adjournment thereof.

- 41.6 Shareholders holding a majority of the Shares entitled to vote on the matters to be considered, present in person or represented by proxy, will constitute a quorum at any meeting of Shareholders. In the absence of a quorum at any such meeting, Shareholders holding a majority of the Shares so represented may adjourn the meeting from time to time for a period not to exceed sixty (60) days without further notice. However, if the adjournment is for more than sixty (60) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting will be given to each Shareholder of record entitled to vote at the meeting. At such adjourned meeting at which a quorum will be present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed. The Shareholders present at a duly organised meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of Shareholders holding interests whose absence would cause less than a quorum.
- 41.7 At all meetings of Shareholders, a Shareholder may vote in person or by proxy executed in writing by the Shareholder or by a duly authorised attorney of such Shareholder. Such proxy will be filed with the Board before or at the time of the meeting. No proxy will be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.
- 41.8 Action required or permitted to be taken at a meeting of Shareholders may be taken without a meeting if the action is evidenced by one or more written resolutions passed in accordance with the Companies Act 2006 by Shareholders having not less than the minimum number of votes that would be necessary to authorise or take that action at a meeting at which all Shareholders entitled to vote on that action were present and voted. All such written resolutions will be delivered to the Secretary for inclusion in the minutes or for filing with the Company records (as applicable). Action taken under this Article 41.8 is effective when such written resolutions required to authorise the proposed action have been signed by Shareholders representing the requisite majority for that resolution unless the resolution specifies a different effective date. If any action by Shareholders is effected by written resolution, the Company shall promptly after such action is taken provide a copy of such written resolution to all the Shareholders.
- 41.9 When any notice is required to be given to any Shareholder, a waiver thereof in writing signed by or on behalf of the person entitled to such notice, whether before or at the time stated therein, will be equivalent to the giving of such notice.

**42. Attendance and speaking at general meetings**

- 42.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 42.2 A person is able to exercise the right to vote at a general meeting when:
- 42.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 42.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 42.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 42.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 42.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

**43. Chairing general meetings**

- 43.1 If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 43.2 If the Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:
- 43.2.1 the Directors present; or
- 43.2.2 (if no Directors are present), the meeting,
- must appoint a Director or Shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 43.3 The person chairing a meeting in accordance with this Article is referred to as "the chairman of the meeting".

**44. Attendance and speaking by Directors and non-Shareholders**

- 44.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.
- 44.2 The chairman of the meeting may permit other persons who are not:
- 44.2.1 Shareholders of the Company; or
- 44.2.2 otherwise entitled to exercise the rights of Shareholders in relation to general meetings,
- to attend and speak at a general meeting.

**VOTING AT GENERAL MEETINGS**

**45. Voting: general**

A resolution put to the vote of a general meeting must be decided in accordance with the Articles and any relevant provisions of any shareholders' agreement on a show of hands unless a poll is duly demanded.

**46. Errors and disputes**

- 46.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 46.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

**47. Poll votes**

- 47.1 A poll on a resolution may be demanded:
- 47.1.1 in advance of the general meeting where it is to be put to the vote; or
- 47.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 47.2 A poll may be demanded by:
- 47.2.1 the chairman of the meeting;
- 47.2.2 the Directors;

- 47.2.3 two or more persons having the right to vote on the resolution; or
- 47.2.4 a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.
- 47.3 A demand for a poll may be withdrawn if:
- 47.3.1 the poll has not yet been taken; and
- 47.3.2 the chairman of the meeting consents to the withdrawal.
- 47.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.
- 48. Content of proxy notices**
- 48.1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:
- 48.1.1 states the name and address of the Shareholder appointing the proxy;
- 48.1.2 identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
- 48.1.3 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- 48.1.4 is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- 48.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 48.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 48.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 48.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- 48.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 49. Delivery of proxy notices**
- 49.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 49.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 49.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 49.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.



**50. Amendments to resolutions**

50.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

50.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and

50.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

50.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

50.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

50.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

50.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

**PART 5 – ADMINISTRATIVE ARRANGEMENTS**

**51. Means of communication to be used**

51.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

51.2 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

51.3 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

**52. Company seals**

52.1 Any common seal may only be used by the authority of the Directors.

52.2 The Directors may decide by what means and in what form any common seal is to be used.

52.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

52.4 For the purposes of this Article, an authorised person is:

52.4.1 any Director of the Company;

52.4.2 the company secretary (if any); or

52.4.3 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

**53. No right to inspect accounts and other records**

- 53.1 Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

**54. Provision for employees on cessation of business**

- 54.1 The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

**LIABILITY OF SHAREHOLDERS, DIRECTORS AND OFFICERS**

**55. Indemnification**

- 55.1 No Shareholder, Director, manager or officer of the Company or any of its Affiliates will be liable, in damages or otherwise, to the Company, any of its Affiliates, or any Shareholder for any act or omission performed or omitted to be performed by such Person that is committed in good faith and in a manner such Person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such Person's conduct was unlawful, unless any such act or omission was performed or omitted to be performed by such Person with recklessness or wilful misconduct.
- 55.2 To the fullest extent permitted by applicable law, the Company will indemnify and hold harmless each Shareholder, Director, manager and officer of the Company and each of their respective Affiliates (each, an **Indemnitee**), from and against any and all losses, claims, demands, costs, damages, liabilities (joint or several), expenses of any nature (including reasonable attorneys' fees and disbursements), judgments, fines, settlements and other amounts (**Damages**) arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which an Indemnitee may be involved, or threatened to be involved, as a party or otherwise, arising out of or incidental to the business of the Company or its Affiliates and such Person's status as an Indemnitee, regardless of whether an Indemnitee continues to be a Shareholder, Director, manager or officer of the Company, or its Affiliates, or the Indemnitee's respective Affiliate at the time any such liability or expense is paid or incurred, provided that such Indemnitee (i) acted in good faith and in a manner such Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such Indemnitee's conduct was unlawful and (ii) did not act with recklessness or wilful misconduct, except for any Damages based upon, arising from or in connection with any act or omission of an Indemnitee that is committed in bad faith or otherwise with recklessness or wilful misconduct.
- 55.3 Expenses (including reasonable attorneys' fees and disbursements) incurred in defending any claim, demand, action, suit or proceeding, whether civil, criminal, administrative or investigative, subject to Article 55.2, will be paid (or caused to be paid) by the Company in advance of the final disposition of such claim, demand, action, suit or proceeding upon receipt of an undertaking by or on behalf of the Indemnitee to repay such amount if it will ultimately be determined, by a court of competent jurisdiction from which no further appeal may be taken or the time for any appeal has lapsed (or otherwise, as the case may be), that the Indemnitee is not entitled to be indemnified by the Company as authorised hereunder or is not entitled to such expense reimbursement; provided, however, that prior to making any such advance of expenses, the Indemnitee shall provide evidence reasonably satisfactory to the Board that the Indemnitee is capable to repaying such expenses to the Company if such Indemnitee is not entitled to be indemnified as provided above.
- 55.4 The indemnification provided by Article 55.2 will be in addition to any other rights to which an Indemnitee may be entitled under any agreement with the Company, as a matter of law or otherwise, both (i) as to action in the Indemnitee's capacity as a Director or as an Affiliate of a Director or as an officer of the Company, and (ii) as to action in another capacity, and will continue as to an Indemnitee who has ceased to serve in such capacity and will inure to the benefit of the heirs, successors, assigns, administrators and personal representatives of the Indemnitee.

- 55.5 Any indemnification hereunder will be satisfied only out of the assets of the Company, and the Shareholders will not be subject to personal liability by reason of these indemnification provisions.
- 55.6 The Company shall purchase and maintain insurance on behalf of all directors and officers, and may purchase and maintain insurance on behalf of one or more other Indemnitees and other Persons, against any liability which may be asserted against, or expense which may be incurred by, any such Person in connection with the Company's or its Affiliates' activities, whether or not the Company would have the power to indemnify such Person against such liability under the provisions of any shareholders' agreement.
- 55.7 An Indemnitee will not be denied indemnification in whole or in part under this Article 55 because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of any shareholders' agreement.
- 55.8 The provisions of this Article 55 are for the benefit of each Indemnitee and its heirs, successors, assigns, administrators and personal representatives, and will not be deemed to create any rights for the benefit of any other Persons.
- 55.9 The provisions of this Article 55 shall be subject to any limitations imposed by the Companies Act 2006 for the time being.

**56. Other matters concerning the Shareholders, Directors and officers of the Company.**

- 56.1 Each Shareholder, Director and officer of the Company may rely on, and will be protected in acting or refraining from acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties.
- 56.2 For purposes of any shareholders' agreement, each Shareholder, Director and officer of the Company may consult with legal counsel, accountants, appraisers, management consultants, investment bankers, other consultants and advisers reasonably selected by it and any written advice or written opinion of any such Person as to matters which such Shareholder, Director and officer of the Company reasonably believes to be within such Person's professional or expert competence, and any act or omission, if done or omitted to be done in good faith reliance upon any such advice or opinion, will be conclusively presumed not to constitute fraud, wilful misconduct, gross negligence or reckless disregard of duty.

**57. Reserved matters**

- 57.1 Notwithstanding anything else to the contrary contained in any shareholders' agreement or in the Articles, and regardless of whether the approval of the Board and/or the Shareholders has been obtained, the Company shall not (and the Principals shall, to the extent they are legally permitted to do so, procure that the Company shall not), and shall not permit any of its subsidiaries to (and the Principals shall, to the extent they are legally permitted to do so, procure that the Company shall not permit any of its subsidiaries to), take any of the following actions without obtaining the prior written consent of Investor:
- 57.1.1 cause or permit the consummation of (i) any liquidation, dissolution or wind-up of the Company; or (ii) any reorganisation, reincorporation, recapitalisation, restructuring, conversion or similar transaction that would have a material adverse tax or regulatory effect on Investor or its owners, including limiting the utilisation of the net operating losses of Investor or its owners;
- 57.1.2 amend or alter the memorandum of association and/or articles of association of the Company if such amendment, alteration or repeal would materially and adversely affect the interests, rights, preferences or privileges of Investor relative to that of the holders of the other Shares;
- 57.1.3 engage in any material business activities other than the development and exploitation of online multi-player or online or off-line single-player and console video games and other activities which are customarily related to such businesses such as merchandising, licensing or other exploitation of related intellectual property (collectively, the **Permitted Business**);
- 57.1.4 exit or cease to actively engage in the Permitted Business;

- 57.1.5 repurchase any Shares from Shareholders, except (i) equity repurchases from employees or consultants following termination of service to the Company or any of its subsidiaries at a price not to exceed cost or (ii) repurchases pursuant to Article 27;
- 57.1.6 incur, assume or guarantee indebtedness in excess of ten million dollars (\$10,000,000) in the aggregate;
- 57.1.7 incur any lien, pledge, mortgage or other encumbrance upon any assets of the Company or any of its subsidiaries, except in connection with indebtedness permitted under Article 57.1.6 above;
- 57.1.8 make any investment in, acquire an ownership interest in or purchase assets of any joint venture, partnership, corporation or other entity;
- 57.1.9 issue any additional Shares or other equity Securities, in each case if such issuance constitutes more than twenty-five percent (25%) of the then-issued Shares of the Company after such issuance;
- 57.1.10 issue any equity incentives, such as Shares, share options, profits interests, unit appreciation rights, phantom interests or other similar interests which approximate the economic interests of a Shareholder hereunder, pursuant to an equity incentive plan or otherwise, other than issuances by the Company of such interests that in the aggregate have economic interests in the Company not to exceed five percent (5%) of the Fully Diluted Share Capital of the Company on the Adoption Date;
- 57.1.11 enter into or be a party to any transaction or arrangement with any Principal, any of his Affiliates, any Person which would be classified as a Permitted Transferee of such Principal described in Articles 27.7.2, 27.7.3 or 27.7.5, or any "associate" (as defined in Rule 12b-2 promulgated under the Exchange Act) of any of the foregoing Persons; and
- 57.1.12 commence a voluntary bankruptcy, insolvency or similar proceeding, make arrangements with creditors, consent to the entry of an order for relief an involuntary bankruptcy, insolvency or similar proceeding, consent to the appointment or taking possession by a receiver, trustee or other custodian, or otherwise seek the protection of any applicable bankruptcy or insolvency law.

## **58. Liquidation Events**

- 58.1 The Company will dissolve, terminate and commence winding up and liquidation upon the first to occur of any of the following (each, a **Liquidation Event**):
  - 58.1.1 a Sale of the Company described in clause (i) of the definition thereof;
  - 58.1.2 subject to Article 57, the passing of a special resolution (as defined in the Companies Act 2006) to wind up and liquidate the Company; or
  - 58.1.3 the happening of any other event that makes it unlawful or impossible to carry on the business of the Company.
- 58.2 Upon the occurrence of a Liquidation Event, the Company will continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and Shareholders. No Shareholder will take any action that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. The Company's assets will be liquidated as promptly as is consistent with obtaining the fair market value thereof, and the proceeds therefrom, to the extent legally available and sufficient therefor, will be applied and distributed in the following order and priority:
  - 58.2.1 first, to the payment and discharge of all of the Company's debts and liabilities to creditors other than Shareholders;
  - 58.2.2 second, to the payment and discharge of all of the Company's debts and liabilities to Shareholders;

58.2.3 thereafter, to the Shareholders in accordance with the Articles (including but not limited to Article 33.2).

58.3 Any distribution to a Shareholder pursuant to Articles 58.2.2 and 58.2.3 will be net of any amounts owed to the Company by such Shareholder. No Shareholder will receive any compensation for any services performed pursuant to this Article 58.