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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

FRENZI MEDIA LTD

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
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OF
FRENZI MEDIA LTD

1. DIS-APPLICATION OF MODEL ARTICLES

- 1.1 None of the model articles contained in the schedules to the Companies (Model Articles) Regulations 2008 (SI 2008/3229), or any amended subsequent legislation or statutory instrument containing model articles, shall apply to the Company.
- 1.2 The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985/805) shall not apply to the Company.

2. INTERPRETATION

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

"A Ordinary Shares"	means the A Ordinary Shares of £0.0005 each in the capital of the Company from time to time;
"Accepting Shareholder"	<i>has the meaning given to it in Article 14.5;</i>
"Acting in Concert"	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers for the time being in force;
"Address"	includes a number or address used for the purposes of sending or receiving Documents or information, including by Electronic Means;
"Appointor"	has the meaning given to it in Article 19.1.1;
"Articles"	means these Articles of Association;

"Associate"	in relation to a Shareholder: <ul style="list-style-type: none">(a) who is an individual, any of his Relations, Family Trusts or the trustees of those Family Trusts; or(b) that is a company, any Member of the Same Group.
"Authenticated"	means (subject to section 1146 of the Companies Act) authenticated in such manner as the Board may in its absolute discretion determine;
"Board"	the board of Directors from time to time and any committee of such board constituted for the purpose of taking any action or decision contemplated by these Articles;
"Business Day"	a day (other than a Saturday, Sunday or public holiday) when clearing banks in the City of London are open for the transaction of non-automated banking business;
"Buyer"	has the meaning given to it in Article 14.1;
"Called Shareholders"	has the meaning given to it in Article 15.1;
"Called Shares"	has the meaning given to it in Article 15.2.1;
"Capitalised Sum"	has the meaning given to it in Article 23.1.1(b);
"Chairman"	has the meaning given to it in Article 20.6;
"Chairman of the Meeting"	has the meaning given to it in Article 24.3.3;
"Companies Act"	the Companies Act 2006 (as amended, consolidated and restated from time to time);
"Company"	Frenzi Media Ltd, a limited company registered in England & Wales under No. 10143327;
"Compulsory Transfer Notice"	a notice given by a Shareholder to the Company appointing the Company the agent of the Shareholder with full power to transfer specified Shares to such person and on such terms, or to determine that such Shares should not be transferred, as the Company deems reasonable and appropriate.
"Controlling Interest"	means an interest in Shares giving to the holder or holders control of the Company

	within the meaning of section 995 of ITA 2007;
"Date of Adoption"	means the date on which these Articles were adopted;
"Deferred Shares"	means deferred shares of £0.0005 each in the capital of the Company;
"Drag Along Notice"	has the meaning given to it in Article 15.1;
"Drag Along Option"	has the meaning given to it in Article 15.1;
"Director"	a director of the Company from time to time;
"Distribution Recipient"	has the meaning give to it in Article 22.2.2;
"Document"	includes summons, notice, order or other legal process and registers;
"Effective Termination Date"	means the date on which the Founder's employment or consultancy terminates;
"Electronic Form" and "Electronic Means"	have the meanings given to them in section 1168 of the Companies Act;
"Employee"	means an individual who is employed by or who provides consultancy services to, the Company or any member of the Group;
"Equity Shares"	means the A Ordinary Shares and the Ordinary Shares;
"Family Trusts"	in relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual Shareholder and/or his Relations;
"Founders"	means Kyriakos Kyprianou and Michalis Charalambous, and each of them is a "Founder" ;
"Founder Shares"	means all Ordinary Shares held by: <ul style="list-style-type: none"> a) the Founder in question; and b) by any transferee of that Founder other than those Ordinary Shares held by those persons that the Investor Majority declares itself satisfied were not acquired directly or indirectly from the Founder or by reason of his relationship with the Founder;
"Fully Paid"	means, in relation to a Share, that the nominal value and any premium to be paid to

	the Company in respect of that Share have been paid to the Company;
"Group"	the Company and each and any of its subsidiaries from time to time, and "Group Company" shall be construed accordingly;
"Group Company Interest"	has the meaning given in Article 21.8;
"Hard Copy Form"	has the meaning given in section 1168 of the Companies Act;
"Holder"	in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;
"Holding Company"	has the meaning given to it in the Companies Act;
"Instrument"	means a Document in Hard Copy Form;
"Interested Directors"	has the meaning given to it in Article 21.3.2;
"Investor Majority"	means the consent of those Investors holding at least 75 per cent of the A Ordinary Shares from time to time;
"Investors"	means the holders of A Ordinary Shares and their transferees;
"ITA 2007"	the Income Tax Act 2007;
"Member of the Same Group"	as regards any company, a Subsidiary of that company, a company which is from time to time its Holding Company, and any other Subsidiary of any such Holding Company;
"New Shareholder"	has the meaning given to it in Article 15.11;
"Offer"	has the meaning given to it in Article 14.2;
"Offer Notice"	has the meaning given to it in Article 14.3;
"Offer Period"	has the meaning given to it in Article 14.3;
"Offer Shares"	has the meaning given to it in Article 14.3.4;
"Ordinary Resolution"	has the meaning given in section 282 of the Companies Act;
"Ordinary Shares"	the ordinary shares of £0.0005 each in the capital of the Company;
"Paid"	means paid or credited as paid;

"Persons Entitled"	has the meaning given to it in Article 23.1.1(b);
"Proceeds of Sale"	means the consideration payable (including any deferred and/or contingent consideration and any other consideration which having regard to the substance of the transaction as a whole, can be reasonably regarded as an addition to the price paid or payable for the Shares being sold) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale as approved by an Investor Majority;
"Proposed Buyer"	has the meaning given to it in Article 15.1;
"Proposed Transfer"	has the meaning given to it in Article 14.1;
"Proxy Notice"	has the meaning given to it in Article 25.4.1;
"Relation"	the spouse, civil partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the Shareholder's children;
"Sale Date"	has the meaning given to it in Article 14.3;
"Seller"	a transferor of Shares;
"Sellers' Shares"	has the meaning given to it in Article 15.1;
"Selling Shareholders"	has the meaning given to it in Article 15.1;
"Shareholder"	a Holder of Shares;
"Shares"	shares in the capital of the Company from time to time;
"Share Sale"	means the sale of (or the grant of a right to acquire or to dispose of) any of the Shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those Shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the Shareholders in the Company and the proportion of Shares held by each of them are the same as the Shareholders and their Shareholdings in the Company immediately prior to the sale;

"Special Resolution"	has the meaning given in section 283 of the Companies Act;
"Specified Price"	has the meaning given to it in Article 14.2;
"Subsidiary"	shall have the meaning given to it in the Companies Act and a company shall be treated, for the purposes only of the membership requirement contained in subsection 1159(1)(b) and (c) of the Companies Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee;
"Transmittee"	means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;
"Unvested Shares";	<p>means all the Founder Shares prior to the first anniversary of the Date of Adoption and thereafter until the third anniversary of the Date of Adoption such number of Shares equal to all the Founder Shares multiplied by the following percentage (rounded up to two decimal places):</p> $100 - (2.7778 \times NM),$ <p>where NM = number of full calendar months from the Date of Adoption to the Effective Termination Date</p>
"Writing" or "Written"	means printing, typewriting, lithography, photography and any other mode or modes of representing or reproducing words, symbols or other information in a legible and non-transitory form, including (subject to the provisions of the Companies Act) in Electronic Form.

- 2.2 References to the bankruptcy or insolvency of a person or the appointment of a liquidator, administrator or administrative receiver, or entry into compositions or arrangements with creditors shall include any analogous events or proceedings in any relevant jurisdiction.
- 2.3 References to a person shall include a natural person, body corporate or unincorporated body as the context requires.
- 2.4 Words importing the singular include the plural and vice versa, and words importing any gender include any other gender.

- 2.5 In these Articles, unless the context requires otherwise, references to Shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares of the relevant class then in issue.

3. SHARE CAPITAL AND LIMITATION OF LIABILITY

- 3.1 The share capital of the Company at the date of adoption of these Articles consists of A Ordinary Shares and Ordinary Shares.
- 3.2 The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

4. SHARES

4.1 All Shares to be fully paid up

- 4.1.1 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.
- 4.1.2 This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

4.2 Powers to issue different classes of Share

- 4.2.1 Subject to the Articles, 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.
- 4.2.2 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.

4.3 Company not bound by less than absolute interests

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.

4.4 Share certificates

- 4.4.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 4.4.2 Every certificate must specify:

- (a) in respect of how many Shares, of what class, it is issued;
 - (b) the nominal value of those Shares;
 - (c) that the Shares are fully Paid; and
 - (d) any distinguishing numbers assigned to them.
- 4.4.3 No certificate may be issued in respect of Shares of more than one class.
- 4.4.4 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 4.4.5 Certificates must:
- (a) have affixed to them the Company's common seal, or
 - (b) be otherwise executed in accordance with the Companies Act.

4.5 Replacement share certificates

- 4.5.1 If a certificate issued in respect of a Shareholder's Shares is:
- (a) damaged or defaced, or
 - (b) said to be lost, stolen or destroyed,
- that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- 4.5.2 A Shareholder exercising the right to be issued with such a replacement certificate:
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

5. FURTHER ISSUES OF SHARES

- 5.1 Section 550 of the Companies Act shall not apply to the Company. Subject to the remaining provisions of this Article 5, the Directors are generally and unconditionally authorised, for the purpose of section 551 of the Companies Act, to exercise any power of the Company to offer, allot or grant rights to subscribe for, or convert securities into, or otherwise deal in, or dispose of, any Shares to any person, at any time and subject to any terms and conditions as the Directors think proper.

5.2 The authority referred to in Article 5.1:

5.2.1 shall be limited to a maximum nominal amount of £1,000,000.00;

5.2.2 shall only apply insofar as the Company has not renewed, waived or revoked it; and

5.2.3 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the Directors may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

5.3 Sections 561 and 562 of the Companies Act shall apply to the Company but the offer period referred to in those sections shall be a period of at least 10 Business Days. This Article 5.3 is subject always to the provisions of sections 570 and 571 of the Companies Act.

5.4 The provisions of section 565 of the Companies Act shall not apply to the Company.

6. **EXIT PROVISIONS**

6.1 On a Share Sale the Proceeds of Sale shall be distributed among the holders of Equity Shares pro rata to the number of Equity Shares held, as if all Equity Shares constituted one and the same class.

7. **VESTING OF FOUNDER SHARES**

7.1 If a Founder ceases to be an Employee prior to the end of a period of 36 months from the Date of Adoption, any Unvested Shares relating to such Founder shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date.

7.2 Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Effective Termination Date. Upon the Effective Termination Date, the Founder (and his transferee(s)) shall deliver to the Company at its registered office the share certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Unvested Shares so converting and upon such delivery there shall be issued to him (or his transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Ordinary Shares.

7.3 The Board and the Investor Majority can determine whether any of the provisions of this Article 7 shall not apply to a Founder.

8. **Deferred Shares**

8.1 The Deferred Shares (if any) shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of

the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.

8.2 No Deferred Share shall have any entitlement to a dividend.

8.3 Subject to the Act, any Deferred Shares may be purchased or (in the case of shares issued as redeemable shares) redeemed by the Company at any time at its option for one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).

8.4 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or redesignation without obtaining the sanction of such holder(s), to:

(i) appoint any person to execute any transfer (or an agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or

(ii) give on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or

(iii) purchase such Deferred Shares in accordance with the Act,

in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.

8.5 No Deferred Share may be transferred without the prior consent of the Board.

9. PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES

9.1 The Company may pay any person a commission in consideration for that person:

9.1.1 subscribing, or agreeing to subscribe, for Shares, or

9.1.2 procuring, or agreeing to procure, subscriptions for Shares.

9.2 Any such commission may be Paid:

9.2.1 in cash or in fully Paid Shares or other securities, or partly in one way and partly in the other, and

9.2.2 in respect of a conditional or an absolute subscription.

10. PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES

10.1 When, as a result of a sub-division or a consolidation of Shares, Shareholders are entitled to fractions of Shares the Directors may:

- 10.1.1 sell the Shares representing the fractions to any person for the best price reasonably obtainable;
 - 10.1.2 authorise an Instrument of transfer to be executed in accordance with the directions of the purchaser; and
 - 10.1.3 distribute the net proceeds of sale in due proportion among the Shareholders.
- 10.2 The purchaser of such Shares shall not be obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 10.3 The purchaser's title to the Shares shall not be affected by any irregularity in, or invalidity of the process leading to their sale.

11. TRANSFER OF SHARES

- 11.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share or the renunciation or assignment of any rights to receive or subscribe for that Share, and reference to a Share includes both a legal and a beneficial or other interest in a Share unless otherwise indicated, but it does not include, in situations where the Holder subscribed for or purchased the Share as nominee for one or more beneficial owners:
- 11.1.1 The transfer, assignment or other disposal of a beneficial or other interest in, or the creation of a trust or encumbrance over or the renunciation or assignment of any rights to receive or subscribe for a beneficial or other interest in, a Share provided that the nominee that holds a legal interest in such Share remains the same; or
 - 11.1.2 The transfer, assignment or other disposal of a legal interest in, or the creation of a trust or encumbrance over or the renunciation or assignment of any rights to receive or subscribe for a legal interest in, a Share from the nominee to any person who has a beneficial or other interest in that Share, provided that notice of such transfer is given to the Company.
- 11.2 Shares may be transferred by means of an Instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor.
- 11.3 No fee may be charged for registering any Instrument of transfer or other Document relating to or affecting the title to any Share.
- 11.4 The Company may retain any Instrument of transfer which is registered.
- 11.5 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.
- 11.6 Any transfer of a Share by way of sale that is required to be made under these Articles shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.

11.7 The Directors may refuse to register a transfer of a Share:

- 11.7.1 unless it is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates (or a suitable indemnity for any lost share certificate) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 11.7.2 to a bankrupt, a minor or a person of unsound mind; or
- 11.7.3 to an employee, Director or prospective employee or Director where that person has not entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

11.8 The Directors may, as a condition to the registration of any transfer of any Share, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement (or similar Document) in force between any of the Shareholders and the Company in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other Document). If any condition is imposed in accordance with this Article 11.8, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

11.9 To enable the Directors to determine whether or not there has been any transfer of a Share in breach of these Articles, the Directors may require any Holder, or the legal personal representatives of any deceased Holder, or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to provide the Company with any information and evidence that the Directors request regarding any matter which they deem relevant to that purpose. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the Holder of such Shares in Writing of that fact and the following shall occur:

- 11.9.1 the relevant Shares shall cease to confer any rights to vote or to receive dividends or other distributions otherwise attaching to those Shares or to any further Shares in the capital of the Company issued in respect of those Shares, or in pursuance of an offer made to the relevant Holder; and
- 11.9.2 the holder may be required at any time following receipt of the notice, to transfer some or all of his Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

11.10 The rights referred to in Article 11.9.1 may be reinstated by the Directors at such time as they think fit or, if earlier, shall be reinstated on the completion of any transfer referred to in Article 11.9.2.

12. COMPULSORY TRANSFERS

12.1 Subject to Article 12.4, if any Shares remain registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representatives of that deceased Shareholder either:

12.1.1 to effect a transfer of those Shares; or

12.1.2 to show, to the satisfaction of the Directors, that a transfer will be effected before (or promptly on) the completion of the administration of the estate of the deceased Shareholder.

If either paragraph 12.1.1 or 12.1.2 of this Article 12.1 is not fulfilled to the satisfaction of the Directors, a Compulsory Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.

12.2 Subject to Article 12.4, if a Shareholder is adjudged bankrupt or makes any arrangement or composition with his creditors generally, then that Shareholder shall immediately be deemed to have given a Compulsory Transfer Notice in relation to all Shares held by him.

12.3 Subject to Article 12.4, if a Shareholder that is a company suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it (or a material part of its business) or enters into a composition or arrangement with its creditors generally, then that Shareholder shall immediately be deemed to have given a Compulsory Transfer Notice in respect of all Shares held by it.

12.4 Where a Shareholder holds a legal interest in a Share on behalf of another person and the Company is on notice of such arrangement, the provisions of Articles 12.1, 12.2 and 12.3 shall not apply to such Shareholder, and instead if such a Shareholder suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it (or a material part of its business) or enters into a composition or arrangement with its creditors generally, then:

12.4.1 If the Shareholder notifies the Company of its intention to transfer the legal interest in the relevant Shares within one month from the date of such appointment or composition or arrangement, then the Company shall, together with such Shareholder, take such steps as may be reasonably be required to effect such a transfer of the legal interest of the relevant Shares; and

12.4.2 If the Shareholder fails to notify the Company in accordance with Article 12.4.1, then a Compulsory Transfer Notice shall be deemed to have been given in respect of such Shares on such date as the Directors determine.

13. TRANSMISSION OF SHARES

13.1 Transmission

- 13.1.1 If title to a Share passes to a Transmittree, the Company may only recognise the Transmittree as having any title to that Share.
- 13.1.2 A Transmittree who produces such evidence of entitlement to Shares as the Directors may properly require:
 - (a) may, subject to the Articles, choose either to become the Holder of those Shares or to have them transferred to another person: and
 - (b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the Holder had.
- 13.1.3 But Transmittrees 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.

13.2 Exercise of Transmittrees' rights

- 13.2.1 Transmittrees who wish to become the Holders of Shares to which they have become entitled must notify the Company in Writing of that wish.
- 13.2.2 If the Transmittree wishes to have a Share transferred to another person, the Transmittree must execute an Instrument of transfer in respect of it.
- 13.2.3 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 Transmittree has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

13.3 Transmittrees bound by prior notices

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

14. TAG ALONG

- 14.1 Except in the case of transfers pursuant to Article 12 or Article 15, the provisions of Article 14.2 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any Shares (a "**Proposed Transfer**") which would, if carried out, result in any person (other than a person who holds a Controlling Interest in the Company at that time or an Associate of such a person) (a "**Buyer**"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.

- 14.2 Before completing the Proposed Transfer, a Seller shall procure that the Buyer makes an offer (an "**Offer**") to each of the other Shareholders to buy all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or Paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the six months preceding the date of the Proposed Transfer (the "**Specified Price**").
- 14.3 The Offer shall be made by Written notice (an "**Offer Notice**"), at least 20 Business Days (the "**Offer Period**") before the proposed sale date (the "**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 14.3.1 the identity of the Buyer;
 - 14.3.2 the purchase price and other terms and conditions of payment;
 - 14.3.3 the proposed date of the transfer; and
 - 14.3.4 the number of Shares proposed to be purchased by the Buyer from each such Shareholder (the "**Offer Shares**").
- 14.4 If the Buyer fails to make the Offer to all holders of Shares in the Company then, except where Article 15.7 applies, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer intended to effect the Proposed Transfer.
- 14.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by all Accepting Shareholders.

15. **DRAG ALONG**

- 15.1 If the Holders of 50% or more of the Shares in issue for the time being (the "**Selling Shareholders**") wish to transfer all of their interest in Shares (the "**Sellers' Shares**") to a bona fide arm's length purchaser (the "**Proposed Buyer**"), the Selling Shareholders have the option to require all the other Holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (the "**Drag Along Option**").
- 15.2 The Selling Shareholders may exercise the Drag Along Option by giving Written notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify that:
- 15.2.1 the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to this Article 15;
 - 15.2.2 the person to whom the Called Shares are to be transferred;
 - 15.2.3 the consideration payable for the Called Shares calculated in accordance with Article 15.3; and

15.2.4 the proposed date of the transfer.

- 15.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 20 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 15.4 The Called Shareholders shall sell each Called Share for a consideration in cash per Share that is at least equal to the highest price per Share offered or Paid by the Proposed Buyer, or any person Acting in Concert with the Proposed Buyer, to the Selling Shareholders for the Sellers' Shares or in any related previous transaction in the six months preceding the date of the Drag Along Notice.
- 15.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 15.
- 15.6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise.
- 15.7 Provided that the Proposed Buyer is ready, willing and able to complete the sale of the Called Shares on the completion date determined in accordance with Article 15.6, the requirement for a mandatory offer under Article 14 shall not apply to any transfer of Shares to a Proposed Buyer (or as they may direct) pursuant to a sale for which a Drag Along Notice has been duly served.
- 15.8 On the completion date determined in accordance with Article 15.6, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company and, against delivery of such documents, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due pursuant to Article 15.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 15.3 in trust for the Called Shareholders without any obligation to pay interest.
- 15.9 To the extent that the Proposed Buyer has not, on the completion date determined in accordance with Article 15.6, put the Company in funds to pay the consideration due pursuant to Article 15.3, the Called Shareholders shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further obligations under this Article 15 in respect of their Shares.
- 15.10 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by him, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent to execute all necessary transfer(s) on his behalf and,

against receipt by the Company (on trust for such Holder) of the consideration payable for the Called Shares, deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the Holder thereof. After the Proposed Buyer (or their nominee) has been registered as the Holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this Article 15.

- 15.11 Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire Shares or on the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 15 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

16. DIRECTORS' POWERS AND RESPONSIBILITIES

16.1 Directors' general authority

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

16.2 Shareholders' reserve power

16.2.1 The Shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.

16.2.2 No such Special Resolution invalidates anything which the Directors have done before the passing of the resolution.

16.3 Directors may delegate

16.3.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:

- (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;
- as they think fit.

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

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

16.4 Committees

16.4.1 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 which govern the taking of decisions by Directors.

16.4.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

17. RECORDS AND RULES – DIRECTORS' DECISIONS

17.1 Records of decisions to be kept

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.

17.2 Directors' discretion to make further rules

Subject to the Articles, 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.

18. APPOINTMENT AND REMOVAL OF DIRECTORS

18.1 Number of Directors

Unless and until the Company by Ordinary Resolution determines otherwise, there shall be no minimum and no maximum number of Directors.

18.2 Methods of appointing Directors

18.2.1 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:

- (a) by Ordinary Resolution, or
- (b) by a decision of the Directors.

18.2.2 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.