

Company No 03831781

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS OF CASHCADE LIMITED (Company)**

On 4 February 2016 the following special resolution was duly passed as a written resolution of the Company pursuant to section 288 of the Companies Act 2006

SPECIAL RESOLUTION

- 1 That the Company's articles of association be amended by the replacement of the current articles of association with the form of articles of association attached to this resolution



Director

THURSDAY



RM 11/02/2016 #64
COMPANIES HOUSE



Company No 03831781

The Companies Act 1985

Private Company Limited by Shares

ARTICLES OF ASSOCIATION

of

CASHCADE LIMITED

(Adopted by special resolution passed on 4 February 2010)

The Companies Act 1985
Private Company Limited by Shares

ARTICLES OF ASSOCIATION

of

CASHCADE LIMITED

1 Interpretation

In these Articles, if not inconsistent with the subject or context

Act means the Companies Act 1985 as amended or re-enacted time and includes The Companies Act 2006 to the extent in force from time to time

Articles means the Articles of Association of the Company as from time to time altered by special resolution

Board means the board of Directors of the Company from time to time

Business Days means any day on which banks are open for trading in the City of London

Civil Partner means in relation to an individual Member, a civil partner as defined in the Civil Partnerships Act 2004

Directors means the Directors of the Company for the time being which shall include a sole Director unless the context necessarily requires otherwise

Family Trusts means relation to an individual Member, a trust or settlement set up wholly for the benefit of that individual Member (Settlor) and/or the Settlor's Privileged Relations

Fund Manager means a person whose principal business is to make, manage or advise on share investments

Group means the Company and its Subsidiaries (if any) from time to time References to a Group Company are to any one or more of those companies

Hurdle Amount means £30,880,000

Investor means any holder of Preferred Shares from time to time and its Permitted Transferees

Liquidation Surplus means such cash sum (and the cash equivalent value of any Non-Cash Asset as determined in accordance with Articles 26(e) as remains on a liquidation or winding-

up of the Company after all of its liabilities have been paid and all its assets have been realised

Member means a person who is registered in the Register as the holder of a Share or Shares

Member of the Same Fund Group means a Member is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an Investment Fund), or a nominee of any such person

- (a) any participant or partner in, or member of, any such Investment Fund, or the holders of any unit trust which is a participant or partner in (or member of) any such Investment Fund (but only in connection with the dissolution of such investment Fund, or any distribution of assets of the Investment Fund in the ordinary course of that Investment Fund's business),
- (b) any fund managed by that Fund Manager which is, or whose nominee is, the transferor, or
- (c) any holding company or Subsidiary of that Fund Manager, or any Subsidiary of any holding company of that Fund Manager, or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa,

Member of the Same Group as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of any such parent undertaking

Non-Cash Assets is as defined in Article 26(e)

Permitted Transfer means a transfer of Shares in accordance with Articles 14 - 19

Permitted Transferee means in relation to a Member

- (a) who is an individual, to any of his Privileged Relations, Family Trusts or to the trustees of those Family Trusts,
- (b) that is an undertaking (as defined in section 1161(1) of the Act), to any Member of the same Group,
- (c) that is a fund, to any Member of the same Fund Group, and
- (d) that is an Investor, to any other Investor

Privileged Relation means the spouse, Civil Partner, widow or widower of a Member and the Member's children and grandchildren (including step and adopted children), and step and adopted children of the Member's children

Register means the Register of Members as required in accordance with the Act

Sale means the transfer of all of the issued Shares (in one or a series of linked transactions) to any person or to any such person and any person acting in concert (within the meaning of the City Code on Takeovers and Mergers as in force at the date of adoption of these articles) with such person

Sale Consideration means the consideration for all of the Shares which are the subject of a Sale

Share means a Share of whatsoever class in the capital of the Company, and "Subsidiary" means a subsidiary of the Company as defined under the Act

Table A means Table A in the Schedule to the Companies (Table A-F) Regulations 1985 as amended by the Companies Act (Table A-F) (Amendments) Regulations 2007 and the Companies Act (Table A-F) (Amendments) (No 2) Regulations 2007

- 1 1 Expressions referring to writing shall, unless the contrary intention appear, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form
- 1 2 In the Articles, unless there be something in the subject matter or context inconsistent with such construction
- (a) Words importing the singular number shall include the plural number and vice versa
 - (b) Words importing the masculine gender only shall include the feminine gender
 - (c) Words importing persons only shall include companies or associations or bodies of persons, whether corporate or not
 - (d) The word "may" shall be construed as permissive and the word "shall" shall be construed as imperative
- 1 3 References to
- (a) any section or provision of the Act, if not inconsistent with the subject matter or context, include any corresponding or substituted section or provisions of any amending, consolidation or replacement legislation,
 - (b) an Article, by number are to the particular Articles of the Articles,
 - (c) a pound or pounds (or £) and to a penny or pence (or p) are reference to the currency of the United Kingdom

Subject as aforesaid, any word or expression defined in the Act or the Interpretation Act 1978 shall, if not inconsistent with the subject matter or context, bear the same meaning in the Articles

The headings are inserted for convenience only and shall not affect the construction of the Articles

TABLE A

- 2 The regulations contained in Table A apply to the Company except in so far as they are excluded by or are inconsistent with these Articles
- 3 Regulations 8, 24, 26, 41, 59, 60, 61, 64, 65, 67, 76 to 78, 89 and 118 of Table A do not apply to the Company

SHARE CAPITAL

- 4 The Share capital of the Company as at the date of the adoption of these Articles is £120,000 divided into 2,000,000 Ordinary Shares of 5 pence each (the "**Ordinary Shares**") and 2,000,000 '8' Ordinary Shares of 1 pence each (the "**'B' Ordinary Shares**") The Ordinary

Shares and the '13' Ordinary Shares shall each be separate classes of Shares and shall carry the respective rights and be subject to the restrictions set out in these Articles

- 5 Subject to these Articles the pre-emption provision of sub-section (1) of section 89 and sub-section (1) to (5) of section 90 of the Act shall apply only to any allotment of the Company's Ordinary Shares, provided that (a) the period specified in section 90(6) of the Act shall be 14 days and (b) the holders of Ordinary Shares ("**Equity Members**") who accept Shares shall be entitled to indicate that they would accept Shares that have not been accepted by other Equity Members ("**Excess Shares**") on the same terms as originally offered to all Equity Members and any Shares not so accepted shall be allotted to the Equity Members who have indicated they would accept Excess Shares and such Excess Shares shall be allotted in the numbers in which they have been accepted by Equity Members or if the number of Excess Shares is not sufficient for all Equity Members to be allotted all the Excess Shares they have indicated they would accept then the Excess Shares shall be allotted as nearly as practicable in the proportion that the number of Excess Shares each Equity Member indicated he would accept bears to the total number of Excess Shares applied for
- 6 Subject to the provisions of these Articles and to any directions which may be given by the Company in general meeting, the Directors may unconditionally exercise the power of the Company to allot shares and without prejudice to the generality of the foregoing any shares unissued at the date of adoption of these Articles and any shares hereafter created shall be under the control of the Directors, who may allot, grant options or create subscription or conversion rights over, deal with or otherwise dispose of the same to such persons (including the Directors themselves) on such terms and at such times as they may think proper
- 7 The maximum nominal amount of share capital which the Directors may allot, grant options or create subscription or conversion rights over, deal with or otherwise dispose of in accordance with Article 6 shall be the total amount of the authorised share capital of the Company as set out in Article 4 or such other amount as shall be authorised by the Company in general meeting
- 8 The authority conferred on the Directors by Article 6 shall expire on the day preceding the fifth anniversary of the date of adoption of these Articles
- 9 Subject to the provisions of these Articles the pre-emption provisions set out in Subsection (1) of section 89 and sub-section (1) to (5) of section 90 of the Act shall not apply to the allotment and issue of any 'B' Ordinary Shares
- 10 The Company shall have a first and paramount lien on every Share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that Share The Company shall also have a first and paramount lien on all Shares registered in the name of any person whether solely or jointly with others) for all moneys owing to the Company from him or his estate either alone or jointly with any other person, whether as a Member or not and whether such moneys are presently payable or not The Directors may at any time declare any Share to be wholly or partly exempt from the provisions of this article The Company's lien on a Share shall extend to any amount payable in respect of it

TRANSFER OF SHARES

- 11 Subject to the provisions of Articles 12 to 35 and Articles 27 to 38, the Directors may, in their absolute discretion and without giving any reason, decline to register any transfer of a Share whether or not it is a fully paid Share if the Directors decline to register any transfer within 2 months of the date on which the transfer was lodged they shall send the transferee notice of the refusal, together with the reasons for such refusal

11 1 Notwithstanding any provisions contained in these Articles, the directors shall not decline to register any transfer of shares which have been mortgaged or charged or are expressed to be mortgaged or charged pursuant to a shares charge made by any shareholder of the Company nor suspend registration thereof where such transfer is in favour of

- (a) a chargee or mortgagee of such shares, or
- (b) any nominee or delegate of a chargee or mortgagee of such shares, or
- (c) a purchaser of such shares from a chargee or mortgagee (or its nominee or delegate) of such shares, or
- (d) a purchaser of such shares from any delegate, receiver, administrative receiver or administrator appointed by a chargee or mortgagee of such shares

and a certificate by the relevant chargee or mortgagee (or an officer thereof) that the relevant transfer is within paragraph (a), (b), (c) or (d) above shall be conclusive evidence of that fact

12 A Member may at any time transfer some or all of its Ordinary Shares

- (a) to any Member or Members it chooses, or
- (b) subject to the provisions of Articles 27 to 34 a third party provided such transferor transfers are approved by the passing of a special resolution at a general meeting of the Company or approved in writing by Members of the Company holding not less than 75% of the Ordinary Shares in issue as at the date of such transfer or transfers, or
- (c) other than in accordance with the provisions of Articles 27 to 34 by giving notice to the Directors containing particulars of the Ordinary Shares in question The Directors, as agents of the Member, shall then offer the Ordinary Shares to the other Members at a price agreed between the offering Member and the Directors, or failing agreement, at a price determined by the auditors as their fair value. If, within 28 days of the price being agreed or determined, the Directors are unable to find Members willing to purchase all the Ordinary Shares, the offering Member may dispose of the Shares which remain unsold in any manner he thinks fit The Directors shall register a transfer of the Ordinary Shares complying with Article 1(a) or 12(b) which is lodged for registration within 14 days of the expiry of the 28 day period and their right to refuse to register the transfer under Article 10 shall not apply in either circumstance

13 A Member shall only be entitled to transfer any of their '13' Ordinary Shares pursuant to the provisions of Articles 14 to 25 and Articles 27 to 38 unless the Board in its absolute discretion determines otherwise

14 A Member (the "Original Member") may transfer all or any of his or its Shares to a Permitted Transferee

15 If the Original Member is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Group as the Original Member, transfer the Shares it holds to

- (a) the Original Member, or
- (b) a Member of the Same Group as the Original Member,

(which in either case is not in liquidation), without any price or other restriction

- 16 If the Original Member is an Investment Fund (or nominee of such person) and a Permitted Transfer has been made, the Permitted Transferee must, within 10 of Business Days of ceasing to be a Member of the Same Fund Group as the Original Member, transfer the shares held by it to

- (a) the Original Member, or
- (b) a Member of the Same Fund Group as the Original Member,

(which in either case is not in liquidation), without any price or other restriction

- 17 Where Shares are held by the trustees of a Family Trust, the trustees may transfer Shares to

- (a) the Original Member,
- (b) another Privileged Relation of the Original Member,
- (c) another Family Trust of which the Original Member is the Settlor, or
- (d) to the new (or remaining) trustees upon a change of trustees of a Family Trust

without any price or other restriction

- 18 A transfer of Shares may only be made to a Family Trust if the Directors are satisfied

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustees,
- (b) with the identity of the proposed trustees,
- (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company

- 19 If a Permitted Transfer is made to the spouse or Civil Partner of the Original Member, the Permitted Transferee shall within 10 Business Days of ceasing to be the spouse or Civil Partner of the Original Member (whether by reason of divorce or otherwise) execute and deliver to the Company a transfer of the Shares held by him to the Original Member (or, to any Permitted Transferee of the Original Member) for such consideration as may be agreed between them, or failing which such consideration as may be determined as the fair value of the shares by the Company's auditors acting as experts and not as arbitrators and whose decisions shall be final and binding

- 20 Where, under a deceased Member's will (or the laws as to intestacy), the persons legally or beneficially entitled to any Shares (whether immediately or contingently) are Privileged Relations of the deceased Member, the legal representative of the deceased Member may transfer any Shares to those Privileged Relations who are Permitted Transferees, in each case without restriction as to price or otherwise Shares previously transferred as permitted by this Article 20 may be transferred by the transferee to any other Permitted Transferee of the Original Member without any price or other restriction

- 21 Subject to Article 20, on the death, bankruptcy or liquidation of a Permitted Transferee (other than a joint holder), his personal representatives, trustee in bankruptcy or its liquidator shall execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee (without any price or other restriction) within 10 Business Days after the date of the grant of probate, the making of the bankruptcy order or the passing of a resolution or making of an order for winding up. The transfer shall be to the Original Member, if still living (and not bankrupt or in liquidation) or, if so directed by the Original Member, to any Permitted Transferee of the Original Member. If the transfer is not executed and delivered within 10 Business Days of that period, or if the Original Member has died or is bankrupt or is in liquidation, the personal representative or trustee in bankruptcy or liquidator shall be deemed to have given a Transfer Notice.
- 22 Nothing set out in Articles 14 to 20 shall in any way restrict the rights of transfer in respect of the Ordinary Shares set out in Article 9.
- 23 If a Share remains registered in the name of a deceased Member for longer than one year after the date of his death, the Directors may require the legal personal representatives of that deceased Member either
- (a) to effect a Permitted Transfer of those Shares (including an election to be registered in respect of the Permitted Transfer), or
 - (b) to show, to the satisfaction of the Directors, that a Permitted Transfer will be effected before (or promptly on) the completion of the administration of the estate of the deceased Member.
- 24 If a Member that is a company or a Permitted Transferee of that Member either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it (or a material part of its business), that Member or Permitted Transferee shall be regarded as having given a transfer notice in respect of all the Shares held by that Member and/or such Permitted Transferee at such time and on such terms as the Directors determine.
- 25 If there is a change in control (as control is defined in section 840 of the Income and Corporation Taxes Act 1988 (ICTA)) of any Member that is a company (other than any Member that is an Investment Fund or nominee or custodian for an Investment Fund), that Member shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving of, in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names. However, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the original Member from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice.

RIGHTS AND RESTRICTIONS ATTACHING TO SHARES

- 26 Subject to the provisions of these Articles, the specific rights and restrictions attaching to the respective classes of Shares shall be as specified in this Article 26.
- (a) Voting
 - (i) Each Member holding Ordinary Shares shall be entitled to receive notice of and to attend at general meetings of the Company. Without prejudice to Articles 40 to 42 on a show of hands, every holder of Ordinary Shares and who (being an individual) is present in person or by proxy shall have one vote and on a poll every holder of Ordinary Shares shall have one vote for each

Ordinary Share held by him The '13' Ordinary Shares shall carry no right to vote at, attend or be given notice of general meetings of the Company

(b) Dividends

- (i) Any profits which the Directors resolve to distribute shall be distributed only to the holders of Ordinary Shares in respect of their holdings of such Shares *pan passu* and *pro rata* to the number of such Ordinary Shares held by each of them
- (ii) The 'B' Ordinary Shares shall not confer any entitlement to any dividend or other distribution of income

(c) Capital

- (i) On a distribution of assets on a winding up of the Company, the order of priority pursuant to which payments to the holders of Shares shall be made out of the Liquidation Surplus shall be determined by reference to the provisions of Article 26(c)(ii) or (iii) below (as the case may be),
- (ii) If the Liquidation Surplus is less than or equal to the Hurdle Amount at the relevant time, the Liquidation Surplus shall be paid to the holders of Ordinary Shares *pro rata* to the number of Ordinary Shares held by them
- (iii) If the Liquidation Surplus exceeds the Hurdle Amount at the relevant time, the Liquidation Surplus shall be paid in the following order of priority then
 - (1) First, in paying to the holders of Ordinary Shares the Hurdle Amount to be distributed between the holders of Ordinary Shares *pro rata* to the number of Ordinary Shares held by them on the date of the distribution or other return, and
 - (2) Secondly, in paying to the holders of the Ordinary Shares and '13' Ordinary Shares ranking *pan passu* who shall receive the balance of the Liquidation Surplus *pro rata* to the number of Ordinary Shares and/or '13' Ordinary Shares held by them on the date of the distribution or other return

(d) Sale

- (i) In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale, the Sale Consideration shall be apportioned between the Selling Members by reference to the provisions of Article 26(d)(ii) or (iii) below (as the case may be)
- (ii) If the Sale Consideration is equal to or less than the Hurdle Amount at the relevant time then to the holders of Ordinary Shares who shall receive the Sale Consideration *pro rata* to the number of Ordinary Shares held by them
- (iii) If the Sale Consideration exceeds the Hurdle Amount at the relevant time then
 - (1) First, to the holders of the Ordinary Shares, who shall be entitled to receive the Hurdle Amount to be distributed between holders of

Ordinary Shares pro rata to the number of Ordinary Shares held by them on the date of the Sale, and

- (2) Secondly, to the holders of the Ordinary Shares and '13' Ordinary Shares ranking *par passu* who shall receive the balance of the Sale Consideration pro rata to the number of Ordinary Shares and/or '13' Ordinary Shares held by them on the date of Sale
 - (iv) Where any of the Sale Consideration is deferred, the apportionments and payments referred to in this Article 26(d) shall occur within 7 days of the receipt of such deferred consideration in relation to such deferred consideration only
- (e) Non-Cash Assets
- (i) Where on a return of assets on the liquidation or winding-up of the Company or on a Sale the Liquidation Surplus or the Sale Consideration (as the case may be) includes assets other than cash (the "**Non-Cash Assets**") the Directors shall, if the market value of the Non-Cash Assets has not been agreed by all persons entitled to the Liquidation Surplus or Sale Consideration in question prior to the proposed date of the return of assets or distribution of Sale Consideration, instruct experts ("**Experts**") to determine the market value of the Non-Cash Assets as at the date of the return of assets or distribution of Sale Consideration and the sum so agreed or determined and certified shall be that applicable for the purposes of determining the amount of the Liquidation Surplus or the amount of the Sale Consideration (as the case may be) and the distributions and apportionments to be made in accordance with Article 26(b) or Article 26(c) (as the case may be) The Experts shall be instructed by the Directors acting in their absolute discretion provided always that, unless otherwise agreed by all persons entitled to receive the Liquidation Surplus or Sale Consideration, the Experts shall be the Auditors of the Company from time to time or such other firm of accountants appointed by the President for the time being of the Institute of Chartered Accountants of England and Wales on application by the Directors The costs and expenses of the Experts acting pursuant to this Article 26(e) shall be paid from the Liquidation Surplus or the Sale Consideration (as the case may be) The Experts shall act as experts and not as arbitrators and their determination shall be final and binding on all persons concerned
 - (ii) Subject to the provisions of the Act and without prejudice to any special rights previously conferred on the holders of any existing Shares or class of Shares, the Company may issue such part of the capital as it thinks fit with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the Company may from time to time by special resolution determine
 - (iii) Whenever the capital of the Company is divided into different classes of Shares, the special rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of 75% of the issued Ordinary Shares

- (iv) The special rights conferred upon the holders of any Shares or class of Shares issued with preferred, deferred or other special rights shall not (unless otherwise expressly provided by the conditions of issue of such Shares) be deemed to be varied by the creation or issue of further Shares ranking *par passu* therewith

DRAG ALONG AND TAG ALONG RIGHTS

- 27 If the holders of any Ordinary Shares in issue for the time being (the "**Selling Members**") wish to transfer Ordinary Shares representing more than seventy five per cent of the voting rights of the whole of the issued Share capital of the Company (the "**Sellers' Shares**") to a bona fide arm's length purchaser (the "**Third Party Purchaser**") the Selling Members shall have the option (the "**Drag Along Option**") to require all the holders of Ordinary Shares and '8' Ordinary Shares (the "**Called Members**") to sell and transfer the same proportion of their Shares in the Company as being transferred by the Selling Members in accordance with the provisions of Articles 27 to 34 to the Third Party Purchaser or its nominee
- 28 The Selling Members may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Members are required to transfer all or the relevant proportion of their Shares (the "**Called Shares**") pursuant to Articles 27 to 34, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with Articles 27 to 34, the proposed date of transfer and all other relevant terms applying to the proposed transfer
- 29 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Members to the Third Party Purchaser within sixty days after the date of service of the Drag Along Notice. The Selling Members shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice
- 30 The consideration for which the Called Members shall be obliged to sell each of the Called Shares shall
- (a) if the Selling Members are disposing of their entire holding of Ordinary Shares in the Company, be that consideration to which the holders of the Called Shares would be entitled if the total consideration proposed to be paid by the Third Party Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 26(d), or
- (b) if the Selling Members are disposing of part only of their holding of Ordinary Shares in the Company ("**Partial Disposal**"), be that consideration to which the holders of the Called Shares would be entitled if the total consideration proposed to be paid by the Third Party Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 26(d), provided that for the purposes of calculating the consideration due pursuant to this Article 30 (n), the Hurdle Amount by the fraction produced by dividing the number of Ordinary Shares sold pursuant to the Partial Disposal by the total number of Ordinary Shares then in issue
- 31 No Drag Along Notice may require a Called Member to agree to any terms save as to warranties in relation to title to their Shares and their unrestricted transferability. Members

- 32 Completion of the sale of the Called Shares shall take place on the same date as the date of completion of the sale of the Sellers' Shares unless all of the Called Members and the Selling Members agree otherwise
- 33 If any Called Member does not on completion of the sale of Called Shares execute a transfer(s) in respect of all the Called Shares held by him the Called Member shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Members to be his agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares in accordance with Article 30 and to deliver such transfer(s) to the Third Party Purchaser (or its nominee) and the Directors shall forthwith (following stamping or adjudication as the case may be) register the Third Party Purchaser (or its nominee) as the holder thereof After the Third Party Purchaser (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person It shall be no impediment to registration of Shares under this Article 33 that no Share certificate has been produced
- 34 If, following the issue of a Drag Along Notice or the sale of all of the issued Shares in the Company to a Third Party Purchaser without any Drag Along Notice having been served, any person becomes a Member of the Company pursuant to the exercise of a pre-existing option to subscribe for Shares in the Company (a "**New Member**"), a Drag Along Notice shall be deemed to have been served upon the New Member requiring him to sell all such Shares on the terms provided for in Articles 27 to 34 and the New Member shall thereupon be bound to sell and transfer all such Shares acquired by him to the Third Party Purchaser or its nominee and the provisions of Articles 27 to 34 shall apply mutatis mutandis to the New Member save that completion of the sale of such Shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member
- 35 In the event that any of the Members ("**Proposed Transferors**") alone or together holding Shares confirming in aggregate more than seventy five per cent of the total voting rights conferred by all the Shares in the capital of the Company wish to dispose of such Shares ("**Controlling Shares**") to one or more third parties ("**Proposed Transferees**"), then no agreement will be concluded by the Proposed Transferors for the disposal of the Controlling Shares without first having procured that the Proposed Transferees make a written offer to be open for acceptance for a period of at least 15 days to each Member who is not a Proposed Transferor ("**Non-Transferor**") to purchase the same proportion of his Shares in the capital of the Company as is proposed to be disposed of by the Proposed Transferor for consideration which
- (a) if the Proposed Transferors are disposing of their entire holding of Shares, shall be that consideration to which the Non-Transferor would be entitled if the total consideration proposed to be paid by the Proposed Transferees were distributed to the Proposed Transferors and the Non-Transferors in accordance with the provisions of Article 26(d), and
 - (b) if the Proposed Transferors are making a Partial Disposal of their holdings of Shares, shall be that consideration to which the Non-Transferor would be entitled if the total consideration proposed to be paid by the Proposed Transferees were distributed to the Proposed Transferors and the Non-Transferors in accordance with the provisions of Article 26(d), provided that for the purposes of calculating the consideration due pursuant to this Article 35 the Hurdle Amount by the fraction produced by dividing the number of Ordinary Shares sold pursuant to the Partial Disposal by the total number of Ordinary Shares then in issue

- (c) This Article 35 shall not apply in relation to any transfer or proposed transfer in connection with which a Drag Along Notice is served pursuant to and in accordance with the provisions of Articles 27 to 34

- 36 Any person entitled to a Share in consequence of the death or bankruptcy of a Member shall, upon producing such evidence of his title as the Directors may require, have the right either to be registered himself as the holder of the Share or to make such transfer thereof as the deceased or bankrupt Member could have made but the Directors shall in either case have the same right to refuse or suspend registration as they would have had in the case of a transfer of the Share by the deceased or bankrupt Member before his death or bankruptcy
- 37 A person so becoming entitled to a Share in consequence of the death or bankruptcy of a Member shall have the right to receive and may give a discharge for all dividends and other moneys payable or other advantages due on or in respect of the Share, but he shall not be entitled to receive notice of or to attend or vote at meetings of the Company, or, save as aforesaid, to any of the rights or privileges of a Member unless and until he shall be registered as a Member in respect of the Share
- 38 If any Non-Transferor does not on completion of the sale of Shares under Article 35 execute a transfer(s) in respect of all such Shares held by him the Non-Transferor shall be deemed to have irrevocably appointed any person nominated for the purpose by the Proposed Transferor to be his agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Shares in accordance with Article 35 and to deliver such transfer(s) to the Proposed Transferee (or its nominee) and the Directors shall forthwith (following stamping or adjudication as the case may be) register the Proposed Transferee (or its nominee) as the holder thereof After the Proposed Transferee (or its Nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person It shall be no impediment to registration of Shares under this Article 38 that no Share certificate has been produced

PROCEEDINGS AT GENERAL MEETINGS

- 39 Subject to the provisions set out in Article 26(a)(1) if a quorum is not present within half an hour of the time appointed for a general meeting, the meeting, if convened on the requisition of those Members holding Ordinary Shares, shall be dissolved In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and such other time and place as the Directors determine If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present and entitled to vote shall constitute a quorum
- 40 A poll may be demanded at any general meeting by any Member entitled to vote at it Regulation 46 of Table A shall be modified accordingly
- 41 On a show of hands or on a poll votes may be given either personally or by proxy
- 42 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor, and shall be in any usual form or in a form approved by the Directors The appointment shall be valid for an adjournment of the meeting and the instrument shall be deemed to confer authority to attend and vote on amendments to resolutions put to the meeting for which the authority is given or at an adjournment, unless in each case the instrument of proxy states otherwise Where it is desired to afford Members an opportunity to instruct the proxy how he shall act, the instrument appointing a proxy shall be in any form

which enables the Members to direct how their votes are to be exercised on each of the resolutions comprised in the business of the meeting for which it is to be used

NUMBER OF DIRECTORS

- 43 The number of Directors is not subject to any maximum unless determined otherwise by an ordinary resolution. The minimum number of Directors is not less than two.
- 44 The quorum for meetings of the Directors shall be not less than two, one of whom must be, for so long as IDL has the power under these Articles to appoint such, the Non-Executive Director (as appointed by IDL under Article 59) or his alternate. If a quorum is not present within half an hour of the time appointed for the board meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and such other time and place as all of the Directors determine. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, then any two Directors present shall constitute a quorum.

ALTERNATE DIRECTORS

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

DELEGATION OF POWERS

- 48 The following sentence shall be inserted after the first sentence of regulation 72 of Table A:
- 49 A committee of Directors has the power, unless the Directors direct otherwise, to appoint a Member of the committee for any specific purpose a person who is not a director of the Company.

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 50 The Directors are not subject to retirement by rotation.
- 51 The Company may by ordinary resolution appoint a person who is willing to act as a Director either to fill a vacancy or as an additional Director.
- 52 Director is not required to hold any qualification Shares in the Company.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 53 A person shall not be disqualified from being a Director by having attained any particular age.
- 54 Regulation 81 of Table A shall be amended by substituting the following provisions for paragraphs (c) and (e):

- (a) he becomes, in the opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as a Director, or
- (b) he is otherwise duly removed from office

PROCEEDINGS OF DIRECTORS

- 55 The Company shall hold not less than four meetings of the Board each calendar year
- 56 Notice of every meeting of the Directors shall be given to each Director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any Director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him Meetings of the Directors may be held by conference telephone or similar equipment, so long as all the participants can hear each other Such meetings shall be as effective as if the Directors had met in person
- 57 A Director may participate in a meeting of the Directors or a committee of Directors of which he is a Member by means of a conference telephone or similar communicating equipment or other electronic communication whereby all persons participating in the meeting can hear each other Participation in a meeting in this manner shall be deemed to constitute presence in person at the meeting
- 58 Subject to disclosure in accordance with section 317 of the Act, a Director shall be entitled to vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts with the interests of the Company

THE NON-EXECUTIVE DIRECTOR

- 59 Notwithstanding any other provisions of these Articles, for so long as Independent Digital Limited ("IDL") holds 5% or more of the issued Shares of the Company, IDL shall be entitled to appoint one person as a director (the "Non-Executive") and to remove from office any person so appointed and to appoint another person in their place The remuneration and reasonable expenses to be paid to the Non-Executive shall be payable by the Company and shall be such sum as may be agreed between him and the Company Upon request by IDL the Company shall also procure (so far as it is able) that an IDL appointee be appointed a director to any subsidiary of the Company
- 60 For so long as IDL holds 5% or more of the issued Shares of the Company, on any resolution which is proposed in general meeting to amend these Articles in order to amend or delete Article 59 above, the Shares voting against that resolution shall in aggregate carry a number of votes equal to 25.01% of the number of votes capable of being cast on that resolution

THE SEAL

- 61 In accordance with section 39 of the Act the Company may have an official seal for use in any territory, district or place elsewhere than in the United Kingdom

NOTICES

- 62 Any notice required by these Articles to be given by the Company may be given by any visible form on paper, including telex, facsimile and electronic mail A notice communicated by immediate transmission shall be deemed to be given at the time that it is transmitted to the

person to whom it is addressed Regulations 111 and 112 of Table A shall be amended accordingly

INDEMNITY

- 63 Subject to the provisions of the Act but without prejudice to any indemnity to which a Director (including the Non-Executive) may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the proper execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company Such indemnity shall extend to liabilities arising after a person ceases to be a Director or other officer of the Company in respect of acts or omissions whilst he was a Director or other officer of the Company
- 64 The Company may purchase and maintain insurance against any liability falling upon its Directors or other officers or auditors which arises out of the proper execution of their respective duties to the Company or in relation thereto

SPECIAL ARTICLE

- 65 Notwithstanding anything contained in these articles, whether expressly or impliedly contradictory to the provisions of this Special Article (to the effect that any provision contained in this Special Article shall override any other provision of these articles)
- (a) The directors shall not issue any share certificates (whether by way of replacement or otherwise) without the prior written consent of (or on behalf of) all (if any) bank, institution or other person which has been granted a security interest in respect of such shares, or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such person) (**Secured Institution**)
- (b) The lien set out in article 10, shall not apply to shares held by a Secured Institution

Any variation of this Special Article shall be deemed to be a variation of the rights of each class of share in the capital of the Company