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Company Number: 06351654

Companies Act 1985 and 1989
Private company limited by shares

ARTICLES OF ASSOCIATION
of
BRILLIANT INDEPENDENT MEDIA SPECIALISTS (BIRMINGHAM) LIMITED

(Adopted by special resolution on *21 October* 2007)

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Company Number: 06351654

COMPANIES ACT 1985 AND 1989
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
COBCO 850 LIMITED

1 **PRELIMINARY**

The regulations contained in Table A ("**Table A**") in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985) shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References herein to "**regulations**" are to regulations in Table A.

2 **PRIVATE COMPANY**

The Company is a private company within the meaning of section 1(3) of the Companies Act 1985 (the "**Act**").

3 **INTERPRETATION**

3.1 In the first line of regulation 1 after the word "**regulations**" the words "**and in any articles adopting in whole or in part the same**" shall be inserted.

3.2 In these Articles unless the context otherwise requires the following expressions have the following meanings:

 "**Bad Leaver**" where the person concerned either:

- (a) ceases to be an employee of the Company (and is not continuing as an employee of the Company's Group); or
- (b) has served or been given notice to terminate their employment, in each case in circumstances where that person is not or will not, on the expiry of such notice, be a Good Leaver;

 "**BMG**" Brilliant Media Group Limited, incorporated and registered in England and Wales with company number 5551573 whose registered office is at 1 City Square, Leeds, LS1 2FF.

“Business Day” any day from Monday to Friday (inclusive), other than national public holidays in the United Kingdom, on which banks in the City of London are normally open for trade.

“Company” Brilliant Independent Media Specialists (Birmingham) Limited, registered and incorporated in England and Wales with company number 6351654 whose registered office is at 1 City Square, Leeds, LS1 2FF.

“Company’s Group” the Company and its subsidiaries (if any) from time to time.

“Connected” any person being an employee or a director of the Company.

“deemed transfer notice” a transfer notice deemed to be given under any provision of these Articles (including, without limitation, Articles 7.3 and 8.24) or the Shareholders’ Agreement.

“Directors” the directors of the Company from time to time.

“Good Leaver” where the person concerned ceases to be an employee or director of the Company (and is not continuing as an employee or director of the Company’s Group) for any of the following reasons or in any of the following circumstances:

- (a) death;
- (b) permanent or long term illness or incapacity thereby being incapable of fulfilling the duties as certified in a doctor’s note provided by a practising doctor approved by the board (such approval not to be unreasonably withheld or delayed);
- (c) wrongful dismissal;
- (d) redundancy;
- (e) dismissal where such dismissal is substantively unfair but excluding any procedurally unfair dismissal whether under the internal procedures of the Company and/or the Dispute Resolution Procedures under Schedule 2 to the Employment Act 2002 and the Employment Act 2002 (Dispute Resolution) Regulations 2004;
- (f) repudiatory breach by the employer;
- (g) constructive dismissal; or
- (h) retirement at normal retirement age;

“Group Company” any company which is at, or at any time after, the date of these Articles a subsidiary of the Company or the holding company of the Company or a

subsidiary of any such holding company ("**subsidiary**" and "**holding company**") having the meanings ascribed to them in the Companies Act 1985).

"**Net Profit**" profit before tax of the Company for the twelve months to the end of the month prior to the date of service of the Transfer Notice or a deemed transfer notice as determined in the management accounts of the Company for the same period.

"**privileged relation**" the spouse (or widow or widower) of the member and the member's linear descendants and for the purposes aforesaid a step-child or adopted child or illegitimate child of any member shall be deemed to be a linear descendant of such member.

"**Relevant Shares**" has the meaning given to it in Article 8.24.

"**Representatives**" in relation to a member, any person or persons who have become entitled to his shares in consequence of his death, bankruptcy or mental incapacity.

"**share**" a share in the capital of the Company of whatever class.

"**Shareholders**" the holders of shares from time to time, and the expression "**Shareholder**" shall be construed accordingly.

"**Shareholders' Agreement**" the agreement entered into from time to time between the Company and the Shareholders regulating their relationship with one another and certain aspects of the affairs of, and their dealings with, the Company.

"**transfer notice**" has the meaning given to it in Article 8.2 and includes, where the context admits, a deemed transfer notice.

"**Transfer Price**" has the meaning given to it in Article 8.7.

- 3.3 Words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them but excluding any *statutory modification thereof not in force on the date of adoption of these Articles*.
- 3.4 Words importing the singular include the plural, words importing any gender include every gender, and words importing persons include bodies corporate and un-incorporate, and (in each case) vice versa.
- 3.5 References to Articles are references to these Articles.
- 3.6 In relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept,

practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned.

4 SHARE CAPITAL

4.1 The authorised share capital of the Company at the date of adoption of these Articles is £250,000 divided into 250,000 ordinary shares of £1 each of which 200,000 ordinary shares of £1 each have been issued fully paid and shall be subject to the rights and obligations set out in these Articles, but in all other respects shall rank *pari passu*.

4.2 The Company shall not have power to issue share warrants.

5 ISSUE OF NEW SHARES AND ALTERATION OF SHARE CAPITAL

Save with the prior written consent of the Shareholders holding at least 50% of the share capital from time to time of the Company, no shares may be allotted or issued to any person.

6 LIEN

The lien conferred by regulation 8 shall attach also to fully paid up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid up or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently payable by him or his estate to the Company. Furthermore, such lien shall extend to all amounts payable in respect of a share. The directors may resolve to exclude any share or any amount payable in respect of a share from the application of this Article 6. Regulation 8 shall be modified accordingly.

7 TRANSFER OF SHARES

7.1 Save with the prior written consent of the other Shareholders (such consent not to be unreasonably withheld or delayed), no Shareholder shall dispose or purport to dispose of any interest in, or right attaching to, any shares held by him for a period of three years from the date of the Shareholders' Agreement.

7.2 Subject to Article 7.1, no member shall dispose or purport to dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these Articles or the Shareholders' Agreement) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition

subsequent or otherwise) to do any of such things except (but subject always to Article 7.5 and Article 10):

- 7.2.1 as permitted by Article 8 (Pre-emption rights);
 - 7.2.2 as permitted by Article 9 (Drag along and tag along); and
 - 7.2.3 as permitted by the Shareholders' Agreement.
- 7.3 If a member at any time commits a breach of Article 7.2 in relation to any share he shall be deemed immediately prior to such breach to have given a transfer notice in respect of such share (such notice being a **"deemed transfer notice"**).
- 7.4 Where a transfer notice in respect of any share is deemed to have been given under any provision of these Articles or under the Shareholders' Agreement and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such transfer notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 8 shall apply accordingly.
- 7.5 The directors shall not refuse to register any transfer of a share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer:
- 7.5.1 of a share on which the Company has a lien;
 - 7.5.2 of a share (not being a fully paid share) to a person of whom the Directors (by resolution) do not approve.
- 7.6 If a member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a transfer notice he shall forthwith give written notice thereof to the directors.

8 PRE-EMPTION RIGHTS

- 8.1 Except for a transfer of shares which is permitted under Article 7.2 no share shall be transferred until the following conditions of this Article 8 are complied with.
- 8.2 Any member proposing to transfer a share (**"proposing transferor"**) shall give notice in writing (**"transfer notice"**) to the directors that the proposing transferor desires to transfer such share. In the transfer notice the proposing transferor shall specify:

- 8.2.1 the number and class of shares which the proposing transferor wishes to transfer ("**Transfer Shares**") (which may be all or part only of the shares then held by the proposing transferor); and
- 8.2.2 the price at which the proposing transferor wishes to transfer the Transfer Shares.
- 8.3 A transfer notice shall also state whether the proposing transferor wishes to impose a "**Total Transfer Condition**" (meaning a condition that unless all of the Transfer Shares are sold, none shall be so sold), but in the absence of such a statement the transfer notice shall be deemed not to contain a Total Transfer Condition. Any two or more members shall be entitled to serve a joint transfer notice (meaning a notice signed by each of them specifying the shares which they wish together to transfer) containing a Total Transfer Condition and such notice shall for the purposes of this Article 8.3 take effect as if it were a single transfer notice and the Total Transfer Condition related to all the shares the subject of the joint transfer notice, but the obligations of those members thereunder or in respect thereof shall be several only in proportion to the number of Transfer Shares which they hold respectively.
- 8.4 The transfer notice shall constitute the Company (by its board of directors) as the agent of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as defined in Article 8.6) on the terms of this Article 8. Save as expressly provided otherwise in these Articles or in the Shareholders' Agreement, a transfer notice shall be revocable at any time until the expiration of the Withdrawal Period (as defined in Article 8.12). If a proposing transferor revokes a transfer notice he may not subsequently transfer the Transfer Shares (or any interest therein) otherwise than in accordance with these Articles and the Shareholders' Agreement.
- 8.5 Within seven days after the receipt of any transfer notice the directors shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice the directors shall similarly serve notice on all the members (including the proposing transferor), notifying them that the same has been deemed to have been given, within 3 months after (i) the date of the event giving rise to the deemed transfer notice or (ii) (if later) the date on which the directors (as a whole) actually became aware of such event.

- 8.6 Subject as provided otherwise in these Articles or in the Shareholders' Agreement the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ("**Transfer Price**") determined in accordance with Article 8.7.
- 8.7 The Transfer Price shall be such price as shall be agreed in writing between the proposing transferor and the directors (other than the proposing transferor) or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days after the service of notices pursuant to Article 8.2 the Net Profit calculated in accordance with Article 8.10 and determined by an independent chartered accountant of not less than ten years' standing (the "**Expert**") who shall be nominated by agreement between the proposing transferor and the directors, or if a director shall be the proposing transferor, then between the proposing transferor and the other directors or failing such nomination within 14 days, at the request of either the proposing transferor, the directors or (if the transferor shall be one of the directors) the other directors by the President or other senior officer from time to time of the Institute of Chartered Accountants in England and Wales. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members.
- 8.8 The Expert will certify the Net Profit on the following assumptions and bases:
- 8.8.1 valuing the Net Profit on an arm's length sale between a willing vendor and a willing purchaser;
 - 8.8.2 including provisions and adjustments for bad and doubtful debts and otherwise as the Expert may (on the same bases as those customarily applied in the previous audited accounts of the Company's Group) consider appropriate but excluding any allowance or provision for deferred taxation; and
 - 8.8.3 the application in all other respects of principles and practices consistent with those customarily applied in the previous audited accounts of the Group unless inconsistent with any financial reporting standard applicable to a United Kingdom company or applicable legislation, in which case the latter shall prevail.
- 8.9 If any difficulty shall arise in applying any of the assumptions or bases set out in Article 8.8, such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.
- 8.10 The Transfer Price shall be a sum calculated in accordance with the following formula:

$$\frac{(A) \times C}{(B)}$$

D

Where:

A = the total nominal value of all the Transfer Shares

B = the total nominal value of all the shares in the capital of the Company in issue at the date of the Transfer Notice

C = the Net Profit of the Company x 4 as determined in accordance with this Article 8.8

D = the number of Transfer Shares

The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do.

- 8.11 If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price ("**Determination Date**") shall be the date on which the Directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is agreed then the Determination Date shall be the date on which such agreement is made.
- 8.12 Where the Expert has determined the Transfer Price as aforesaid the proposing transferor shall be entitled if the Transfer Price is not acceptable to him (save as otherwise provided in these Articles or in the Shareholders' Agreement) to revoke the transfer notice by giving notice in writing to the directors that he does so within a period of 14 days after the Determination Date (such period being herein referred to as the "**Withdrawal Period**").
- 8.13 The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as defined in Article 8.18) pro rata according to the number of Transfer Shares purchased by them unless:
- 8.13.1 the proposing transferor revokes the Transfer Notice pursuant to Article 8.12;
- or
- 8.13.2 none of the Transfer Shares are purchased pursuant to the provisions of these Articles,

in either of which events the proposing transferor shall pay all of such costs and expenses. In the case of default by a person in paying his due proportion of such costs and expenses any of the other contributors or (if the proposing transferor is solely responsible for such costs and expenses) the Company may pay such sum in his stead and any payment made in so doing shall be recoverable from the defaulter as a debt payable on demand.

- 8.14 Within 7 days after the Determination Date or, if the transfer notice is capable of being revoked, within 7 days after the expiry of the Withdrawal Period the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to the other Shareholders (other than (a) the proposing transferor and (b) any member to whom, under Article 10, shares may not be transferred) in proportion to the number of shares then held by them respectively, but for the purposes of calculating the proportion, excluding the shares subject to the transfer notice or deemed transfer notice. Every such offer shall be made in writing and shall specify:

- 8.14.1 the total number of Transfer Shares;
- 8.14.2 the number of Transfer Shares offered to the member ("**Pro-Rata Entitlement**");
- 8.14.3 whether or not the transfer notice contained a Total Transfer Condition; and
- 8.14.4 a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the member in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase.

- 8.15 Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner:

- 8.15.1 to each member who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;
- 8.15.2 if any member has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number of Transfer Shares than the maximum number applied for by him) and any

remaining excess shall be apportioned by applying this Article without taking account of any member whose application has already been satisfied in full.

- 8.16 If and to the extent that the Transfer Shares are not accepted by a member or members holding shares of the same class as the Transfer Shares within the time limited for acceptance or if there are no other holders of shares of that class the Directors shall (in the former case) within 7 days after the expiration of such time as aforesaid (and in the latter case immediately), offer the Transfer Shares or so many thereof as have not been accepted as aforesaid (as the case may be) to members holding shares of the other class or classes, if any, (other than any member to whom under Article 10 shares may not be transferred) and the provisions of Article 8.14 shall apply mutatis mutandis to such offer (save that in the case of competition the Transfer Shares shall be sold to the acceptors in proportion to the aggregate nominal value of the shares then held by each of them respectively).
- 8.17 If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.
- 8.18 If, by the above procedure, the Directors shall receive acceptances or nominations in respect of all of the Transfer Shares the Directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the member or members who have agreed to purchase the same ("**purchaser**" or "**purchasers**") and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the Company and the Directors therefor, none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the Directors for the completion of the purchase (being not less than 7 days nor more than 31 days after the date of the said notice and not being at a place outside England). Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the Directors.
- 8.19 If the transfer notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances or nominations in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid offer(s) they

shall forthwith give notice in writing of that fact to the proposing transferor, and the proposing transferor:

8.19.1 shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser those Transfer Shares accepted by him and the provisions of Article 8.18 shall apply mutatis mutandis thereto; and

8.19.2 may within a period of 2 months after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person at any price which is not less than the Transfer Price, provided that such person has been approved by the members holding a majority of the shares from time to time (at their discretion) or the person acquiring such shares is not involved directly or indirectly in any business or company which competes with the business from time to time of any of the Group Companies.

8.20 If the transfer notice in question shall contain a Total Transfer Condition and if by the foregoing procedure the directors shall not receive acceptances or nominations in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor and the proposing transferor may within a period of 2 months after the date of the Directors' said notice sell all or any of his Transfer Shares to any person at any price which is not less than the Transfer Price, provided that such person has been approved by the members holding a majority of the shares from time to time (at their discretion) or the person acquiring such shares is not involved directly or indirectly in any business or company which competes with the business from time to time of any of the Group Companies.

8.21 If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same, the directors may authorise any person (who is, as security for the performance of the proposing transferor's obligations, hereby irrevocably and unconditionally appointed as the attorney of the proposing transferor for this purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor. The Company shall not be bound to account (to the proposing transferor or the purchaser) for any interest on the moneys so held and shall not pay the purchase moneys to the proposing transferor until his share certificates (or an appropriate

indemnity in respect of any lost certificates) have been received by the Company. The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

8.22 Without prejudice to the generality of Article 7.5 (directors declining to register transfer of shares), the directors may require that any shares being transferred by the proposing transferor pursuant to either Article 8.19.2 or Article 8.20 are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer.

8.23 In this Article, a **"Relevant Event"** means:

8.23.1 in relation to a member being an individual:

8.23.1.1 such member being adjudicated bankrupt; or

8.23.1.2 the happening of any such event as is referred to in paragraph (c) of regulation 81; or

8.23.1.3 such member becoming a Bad Leaver; or

8.23.1.4 who was previously Connected, he (or his Representatives) acquires additional shares in the Company (**"Relevant Employee Shares"**) at a time when he is no longer Connected in pursuance of rights or interests obtained by him (or his Representatives) under an employees' share scheme (as defined in section 743 of the Act) of the Company; and so that this Article shall apply even though the individual (or his Representatives) was (or were) not a member immediately prior to such acquisition;

8.23.1.5 a member making any voluntary arrangement or composition with his creditors;

8.23.1.6 in relation to a member being a body corporate (other than BMG):

(a) a receiver, manager, administrative receiver or administrator being appointed of such member or over all or a substantial part of its undertaking or assets; or

- (b) such member entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
- (c) such member ceasing to be controlled (as defined by section 416 of the Income and Corporation Taxes Act 1988) by the person(s) who controlled such member on the date on which it became a member of the Company or on the date of adoption of these Articles (whichever shall be the later).

8.24 Upon the happening of any Relevant Event the member in question shall be deemed to have immediately given a transfer notice in respect of all the shares held by him (the “**Relevant Shares**”) save that in the case of any Relevant Employee Shares, the transfer notice shall be deemed to be given in respect of those Relevant Employee Shares to which the member in question is entitled (ie “**a deemed transfer notice**”).

8.25 The price payable in respect of the Relevant Shares shall be:

8.25.1 where the Relevant Event occurs in the period before the fifth anniversary of the date of these Articles, the lower of the Transfer Price and the original subscription or transfer price paid by him for the shares (the “**Original Price**”) but if the Transfer Price is less than the Original Price, the price payable for the Relevant Shares shall be the Original Price; or

8.25.2 otherwise, the Transfer Price.

8.26 An obligation to transfer a share under the provisions of this Article 8 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

8.27 Upon the occurrence of a deemed transfer notice of the Relevant Shares, such shares shall be offered to the Shareholders in proportion to their shareholdings (but for the purposes of calculating this proportion, excluding the shares subject to the deemed transfer notice) and if any of the Relevant Shares have not been purchased by the other Shareholders within 40 Business Days of the same being offered, the Company shall, and the members shall procure that the Company shall (provided that the Company is legally able to do so) purchase the balance of the Relevant Shares.

8.28 The above provisions relating to a deemed transfer notice may be waived in whole or in part in any particular case with the prior written consent of members (other than the

member holding the Relevant Shares) holding at least 50% of the shares from time to time.

9 DRAG ALONG AND TAG ALONG

9.1 Drag Along

- 9.1.1 Subject always to Article 7.1 (sale of shares within 3 years of the date of adoption of Articles), in the event that the holders from time to time of 50% or more of the issued share capital of the Company having the right to attend and vote at meetings of the Company ("**Controlling Interest**") propose to sell their shares ("**Sellers**") in the Company ("**Sale**") to a bona fide independent third party ("**Offeror**") then the following provisions shall apply.
- 9.1.2 Subject always to Articles 7.1, the Sellers shall have the right ("**Drag Along Right**") to require all other shareholders of the Company ("**Called Members**") to sell their entire shareholding in the Company to the Offeror provided that such offer is at a price per share equal to the highest price paid or payable per share by the Offeror to the Sellers and is a bona fide arm's length offer.
- 9.1.3 The Drag Along Right may be exercised by the Sellers serving written notice to that effect ("**Drag Along Notice**") on the Called Members at any time which notice shall specify:
- 9.1.3.1 the number and class of shares which the sellers propose to sell;
 - 9.1.3.2 the name of the Offeror and the identity of the person owning or controlling that Offeror (if applicable);
 - 9.1.3.3 the consideration ("**Offer Price**") per share calculated in accordance with Article 9.1.2;
 - 9.1.3.4 any unpaid dividends to be retained by the Sellers; and
 - 9.1.3.5 the date on which the sale and purchase of the shares will be completed (being not less than 30 Business Days and not more than 80 Business Days from the date of the Drag Along Notice).

The Drag Along Notice shall constitute an offer to all the Called Members to sell their shares on the terms set out therein.

- 9.1.4 A Drag Along Notice once given will be irrevocable but shall lapse (and the obligations under such notice shall lapse) in the event that for any reason the Sellers do not transfer their shares in the Company which are the subject of the relevant transaction to the Offeror or the Offeror's nominee not later than the date specified for completion in the Drag Along Notice.
- 9.1.5 Upon exercise of the Drag Along Right in accordance with this Article each of the Called Members shall be bound to accept the offer made to them in respect of their entire holding of shares and to comply with the obligations assumed by virtue of such acceptance.
- 9.1.6 In the event that any Called Members or Seller (as applicable) fails to accept the offer made or, having accepted such offers, fails to complete the sale of his shares pursuant to the offer or otherwise fails to take any action required of him under the terms of the offer, any director may accept the offer on behalf of the Called Member or Seller (as applicable) in question and undertake any action required under the terms of the offer and/or the Called Member or Seller (as applicable) will be deemed to have appointed such director as his agent and/or attorney to execute transfers of his shares and the Company may receive any purchase monies tendered in respect of such shares and will hold the purchase money in trust for the Called Member or Seller (as applicable). The receipt by the Company of the purchase money will be a good discharge to the Offeror or the Offeror's nominee and after his name has been entered on the register of members in purported exercise of the power conferred by this article the validity of the proceedings will not be questioned by any shareholder or former shareholder.
- 9.1.7 If any person becomes a member of the Company at any time after the issue of a Drag Along Notice but before the completion of the sale and purchase of the shares in question ("**New Member**") such Drag Along Notice shall be deemed to have been served on that New Member who shall (subject to Article 9.1.2) be bound to sell and transfer all such shares acquired by the New Member and the provisions of Article 9.1 shall apply mutatis mutandis to the New Member.

9.2 **Tag along**

- 9.2.1 Subject always to Article 7.1 (sale of shares within 3 years of the date of adoption of Articles), if at any time one or more members ("**Proposed**

Sellers") propose to sell, in one or a series of related transactions, a Controlling Interest to any person (not being an Offeror), the Proposed Sellers may only sell the Controlling Interest if they comply with the provisions of this Article.

9.2.2 The Proposed Sellers shall give written notice ("**Proposed Sale Notice**") to the other members of the Company of such intended sale at least 20 Business Days prior to the date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer ("**Proposed Buyer**"), the purchase price and other terms and conditions of payment, the proposed date of sale ("**Proposed Sale Date**") and the number of Shares proposed to be purchased by the Proposed Buyer ("**Proposed Sale Shares**").

9.2.3 Any member of the Company (other than the Proposed Sellers) holding at least 5% of the issued share capital in the Company ("**Minority Member**") shall be entitled, by written notice given to the Proposed Sellers within 10 Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice.

10 PROHIBITED TRANSFERS

Notwithstanding anything else contained in these Articles no share shall be issued or transferred to any infant, bankrupt or person of unsound mind.

11 PROCEEDINGS AT GENERAL MEETINGS

11.1 The quorum for the transaction of business at any general meeting of the Company shall be two, one of whom shall be the holders of the majority of Shares from time to time.

11.2 Regulation 41 shall be read as if the words "and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for such meeting, or if during the meeting a quorum ceases to be present, such adjourned meeting will be quorate if the holders of a majority of shares from time to time is present".

11.3 In regulation 44 the words "of the class of shares the holders of which appointed him as director" shall be substituted for the words "any class of shares in the company".

- 11.4 Except with the prior written agreement of the holders of the majority of shares from time to time either David Moutrie or Craig Megretton shall be the Chairman of all general meetings and the Chairman shall be entitled to a second or casting vote.

12 WRITTEN RESOLUTIONS

Any written resolution of the members may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

13 VOTES OF MEMBERS

- 13.1 Subject as provided below in this Article 13 and to any other special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, at every general meeting of the Company those Shareholders present in person or by proxy shall on a show of hands have one vote and on a poll one vote for every share in the capital of the Company of which they are a holder, those Shareholders present in person or by proxy shall on a show of hands have one vote and on poll one vote for every share in the capital of the Company of which they are a holder.

- 13.2 Regulation 54 shall not apply.

- 13.3 Except with the prior written agreement of all the other members, no member who has agreed to cast any of the voting rights exercisable in respect of any of the shares held by him in accordance with the directions, or subject to the consent of, any other person (including another member) shall be entitled during the relevant period (as hereinafter defined) to exercise any of the voting rights attached to any of the shares registered in his name from time to time or to be present or reckoned in a quorum at any general meeting and any resolution passed at any such meeting during the relevant period which would not have been passed but for the vote(s) of such member cast in contravention of the provisions of this Article 13.3 shall be null and void and of no effect.

For the purposes of this Article 13.3:

- 13.3.1 **“relevant period”** the period from, and including, the date on which the member in question first agreed to cast the said voting rights in accordance with the directions, or subject to the consent of, the other person up to, and including, the date on which the transaction or arrangement which gave rise to that agreement is annulled or terminated;

- 13.3.2 any member who has assigned the beneficial interest in, or created any charge or other security interest over any share to or in favour of any other person shall be deemed, in the absence of clear evidence to the contrary, to have agreed to exercise the voting rights attached to that share in accordance with the directions of that other person.

14 ALTERNATE DIRECTORS

- 14.1 The directors (other than an alternate director) may at any time appoint any person (including another director) to be an alternate director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected in like manner as provided in Article 15. The same person may be appointed as the alternate director of more than one director.
- 14.2 The appointment of an alternate director shall cease on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director.
- 14.3 An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director of the relevant class. It shall not be necessary to give notices of meetings to an alternate director who is absent from the United Kingdom. If an alternate director shall be himself a director or shall attend any such meeting as an alternate for more than one director his voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is from time to time absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.
- 14.4 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as an alternate director any remuneration except only such part (if any) of the remuneration otherwise

payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

14.5 Regulations 65 to 69 shall not apply.

15 APPOINTMENT, RETIREMENT AND REMOVAL OF DIRECTORS

15.1 A director may be appointed to or removed from office by written notice of the members holding at least 45% of the shares for the time being.

15.2 Subject to Article 15.1 above, no director may be appointed or removed except by a resolution of the board.

15.3 A notice of appointment or removal of a director pursuant to this Article 15 shall take effect, in the case of a notice in accordance with Article 15.1, upon lodgement at the Company's registered office or on delivery to a meeting of the directors or on delivery to the secretary, or in any other case on the date of the resolution of the board.

15.4 Every director appointed pursuant to this Article 15 shall hold office until he is either removed in the manner provided by this Article 15 or dies or vacates office pursuant to regulation 81 (as modified by Article 18) and neither the Company in general meeting nor the directors shall have power to fill any such vacancy.

16 RETIREMENT OF DIRECTORS

The directors shall not be subject to retirement by rotation and accordingly regulations 73 to 75 shall not apply and all other references in the regulations to retirement by rotation shall be disregarded.

17 REGULATIONS 76 TO 80

No director shall be appointed otherwise than as provided in these Articles. Regulations 76 to 80 shall not apply.

18 DISQUALIFICATION AND REMOVAL OF DIRECTORS

Regulation 81 shall be modified by deleting paragraph (e) thereof.

19 PROCEEDINGS OF DIRECTORS

At all times:

19.1 the quorum for meetings of the Directors shall, throughout the meeting, be two;

- 19.2 any committee of the directors shall include two Directors and the quorum for a meeting of any such committee shall throughout the meeting be two;
- 19.3 appropriate and complete minutes of each meeting of the Directors shall be maintained by the Company and copies of such minutes distributed to the Directors as soon as reasonably practicable after the meeting shall have been held; and
- 19.4 no motion or proposal shall be passed, and no decision shall be made, by the board or a committee of the directors unless the directors, by simple majority, have voted in favour of such motion, proposal or decision.

20 CONFERENCE TELEPHONES

Subject to Article 19, all or any of the Directors or any committee of the Directors may participate in a meeting of the Directors that committee by means of conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

21 DIRECTORS' INTERESTS

A director who is in any way whether directly or indirectly interested in a transaction or arrangement or proposed transaction or arrangement with the Company may vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising thereout and if he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof. Regulations 94 to 97 shall not apply.

22 BORROWING POWERS

Subject to the provisions of the Shareholders' Agreement, the Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles or the Shareholders' Agreement to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

23 ACCOUNTS AND INFORMATION

Every member shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company and each of its subsidiaries on giving not less than 48 hours written notice to the secretary (or, if there is none at that time, the chairman). The Company shall give each such member all such facilities as he may reasonably require for such purposes including the use of copying facilities. The Company may make a reasonable charge for any copies taken but otherwise shall not charge for any facilities requested as aforesaid. Regulation 109 shall not apply.

24 NOTICES

A notice sent by post shall be deemed to be given 48 hours after posting.

25 INDEMNITY AND INSURANCE

25.1 Subject to the provisions of and so far as may be permitted by law, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability *incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.* Regulation 118 shall not apply.

25.2 The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

26 OVERRIDING PROVISIONS

26.1 Notwithstanding the provisions of these Articles the Directors shall be obliged, so far as may be permitted by law, to act in all respects in accordance with and give effect to the Shareholders' Agreement.

26.2 Where the approval, agreement or consent of any member or director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that member or director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles.

27 **COMPANY SEAL**

The Company need not have a company seal and pursuant to Section 36A of the Act may execute and deliver any document as a deed under the signature of any two directors or of one director and the secretary. A certificate in respect of any shares or other securities in the Company shall be validly issued if it is executed as a deed as aforesaid.

28 **REPRESENTATIVES**

These Articles shall be binding upon and (except as otherwise provided herein) shall enure for the benefit of each member's Representatives.