

Company number: 07807049

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
- of -

4TH SCREEN ADVERTISING HOLDINGS LIMITED (the "Company")

Passed on ...⁹... November 2011

Pursuant to chapter 2 of part 13 of the Companies Act 2006, the following resolution was duly passed by the Company as a written resolution

SPECIAL RESOLUTION

- 1 That the articles of association contained in the document attached to this written resolution (the "**New Articles**") be approved and adopted as the new articles of association of the Company in substitution for, and to the entire exclusion of, the existing articles of association


Director

THURSDAY



A21 24/11/2011 26
COMPANIES HOUSE

Company number 07807049

COMPANY HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

4th Screen Advertising Holdings Limited

1. Preliminary

- 1 1 Except as otherwise provided in these articles the Model Articles shall apply to the company. In the case of any inconsistency between these articles and the Model Articles, the provisions of these articles shall prevail.
- 1 2 Articles 7(2), 8, 9(3), 9(4), 11(2), 13, 14, 15, 17(2) and (3), 18, 19(2), 19(4), 20, 24(1) and (2), 31(1), 36(4), 41(1), 44(4), 45(1), 46(4), 52 and 53 of the Model Articles shall not apply.

2. Definitions and interpretation

- 2 1 In these articles the following words and expressions shall (except where the context otherwise requires) have the following meanings

"Act" means the Companies Act 2006,

"alternate" and "alternate director" have the meaning given in article 7,

"Appointor" has the meaning given in article 7 1,

"Business Day" means any day other than a Saturday, Sunday or a public holiday in England,

"EEA State" has the meaning given in schedule 1 of the Interpretation Act 1978,

"Electronic Address" has the meaning given in section 333(4) of the Act,

"Electronic Means" has the meaning given in section 1168(4) of the Act,

"Eligible Director" means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of a particular matter),

"Group Undertaking" has the meaning given in section 1161(5) of the Act,

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles,

"Officer" in relation to a body corporate includes a director, manager or secretary,

"Proxy Notice" has the meaning given in article 8 9,

"Qualifying Person" has the meaning given in section 318(3) of the Act, and

"Relevant Officer" means any director or other Officer or former director or Officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act))

2 2 In these articles

- (a) words and expressions defined in the Model Articles (or, in the absence of such definition in the Model Articles, in the Act) shall have the same meanings in these articles unless stated otherwise or the context otherwise requires,
- (b) headings are used for convenience only and shall not affect the construction or interpretation of these articles,
- (c) reference in these articles to an "article" is a reference to the relevant article of these articles unless expressly provided otherwise,
- (d) reference to any statute or statutory provision includes, unless expressly provided otherwise, a reference
 - (i) to that statute or statutory provision as from time to time consolidated, modified, re-enacted (with or without modification) or replaced by any statute or statutory provision, and
 - (ii) any subordinate legislation made under the relevant statutory provision, and
- (e) reference in these articles to "writing" or "written" includes typing, printing, lithography, photography and other modes of representing words in a legible and non transitory form, including electronic form

3. Objects

The objects of the company are unlimited

4. Directors

4 1 Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall be no fewer than one

4 2 In addition to the rights under article 17(1) of the Model Articles, a shareholder or shareholders having the right to attend and vote at any general meeting of the company and holding 75 per cent or more in nominal value of the shares giving that right may from time to time by notice in writing or (subject to the Act) in electronic form to the company remove any director from office or appoint any person to be a director, and any such removal or appointment shall be deemed to be an act of the company and not only of such shareholder or shareholders. Any such notice may consist of one or more documents each executed by or on behalf of such shareholder or shareholders and shall take effect at and from the time when such notice is received at the registered office of the company or produced to a meeting of the directors of the company

4 3 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have had a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person) to be a director

4 4 For the purposes of article 4 3, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder Article 17(2) and (3) of the Model Articles shall not apply

4 5 A person shall cease to be a director as soon as that person

- (a) has a bankruptcy order made against him,
- (b) ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director,
- (c) becomes, in the reasonable opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as a director,
- (d) resigns his office by written notice to the company and such resignation takes effect in accordance with its terms, or
- (e) is removed from office pursuant to article 4 2

Article 18 of the Model Articles shall not apply

4 6 Directors are entitled to such remuneration

- (a) as the company may by ordinary resolution determine for their services to the company as directors, and
- (b) as the directors may determine for any other service which they undertake for the company

Article 19(2) of the Model Articles shall not apply

4 7 Unless the company by ordinary resolution resolves otherwise or, in the case of remuneration under article 4 6(b), the directors decide otherwise, directors' remuneration accrues from day to day Article 19(4) of the Model Articles shall not apply

4 8 The company may pay any reasonable expenses which the directors (including alternate directors) and the secretary properly incur in connection with their attendance at

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company Article 20 of the Model Articles shall not apply

5. Directors' decision-making

- 5 1 Notice of a directors' meeting must in so far as is reasonably practicable be given to each director and alternate director (whether or not in the United Kingdom), but need not be in writing and the accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any director or alternate director shall not invalidate the proceedings at that meeting. Article 9(3) of the Model Articles shall not apply.
- 5 2 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it. Article 9(4) of the Model Articles shall not apply.
- 5 3 If
- (a) the company only has one director, and
 - (b) no provision of these articles requires it to have more than one director,
- the general rule in article 7(1) of the Model Articles shall not apply and the director, or his alternate, may (so long as he remains the sole director) take decisions without regard to any of the provisions of the articles relating to directors' decision-making, except that he must comply with the provisions of article 5 5. Article 7(2) of the Model Articles shall not apply.
- 5 4 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter, provided that the Eligible Directors would have formed a quorum if the matter had been proposed at a meeting. Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Article 8 of the Model Articles shall not apply.
- 5 5 The directors must ensure that the company keeps a record, in writing, of all directors' decisions for at least ten years from the date of their adoption, including those taken by a sole director or a committee of directors, and where decisions of the directors are taken by electronic means, such decisions shall be recorded in permanent form so that they can be read with the naked eye. Article 15 of the Model Articles shall not apply.
- 5 6 Subject to any contrary provision of these articles, the quorum for directors' meetings may be fixed from time to time by a decision of the shareholders and unless otherwise fixed it is two, save that in the event that there is only one Eligible Director who would be entitled to vote on a matter if proposed as a resolution at a directors' meeting, the quorum for such meeting (or other decision making process) shall be one. Article 11(2) of the Model Articles shall not apply.
- 5 7 Notwithstanding any provision in these articles, the chairman of the Company shall not have a second or casting vote and Article 13 of the Model Articles shall not apply.
- 5 8 Deadlock
- (a) This article 5 8 shall apply in any case where a matter relating to the affairs of the company has been considered by a meeting of the directors and no resolution has been carried at such meeting in relation to the matter by reason of an equality of votes for and against any proposal for dealing with it. Any such case is hereinafter referred to as a "deadlock".

- (b) In any instance of deadlock the directors shall call a meeting of the shareholders within 14 days of the date on which the deadlock occurred and the matter shall be determined by simply majority voting (each shareholder shall have one vote per share), provided always that the provisions of this article 5 8 are without prejudice to any other provision of these articles whereby the matter in relation to which deadlock has occurred may require approval by a greater majority of the shareholders and/or any specific shareholders, which approval shall still be necessary

6. Directors' conflicts of interests

6 1 Provided (if these articles so require) that he has declared to the directors, in accordance with the provisions of these articles, the nature and extent of his interest, a director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind, namely

- (a) where a director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the company or any other undertaking in which the company is in any way interested,
- (b) where a director (or a person connected with him) is a director, employee or other Officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the company or in which the company is in any way interested,
- (c) where a director (or a person connected with him) is a shareholder in the company or a shareholder in, employee, director, shareholder or other Officer of, or consultant to, a Group Undertaking of the company,
- (d) where a director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) under the company or body corporate in which the company is in any way interested,
- (e) where a director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the company or any body corporate in which the company is in any way interested,
- (f) where a director (or a person connected with him or of which he is a shareholder or employee) acts (or any body corporate promoted by the company or in which the company is in any way interested of which he is a director, employee or other Officer acts) in a professional capacity for the company or any body corporate promoted by the company or in which the company is in any way interested (other than as auditor) whether or not he or it is remunerated for this,
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (h) any other interest authorised by ordinary resolution

Article 14 of the Model Articles shall not apply

6 2 For the purposes of this article 6, an interest of which a director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

- 6 3 In any situation permitted by this article 6 (save as otherwise agreed by him) a director shall not by reason of his office be accountable to the company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit
- 6 4 Any authority given in accordance with section 175(5)(a) of the Act in respect of a director ("**Interested Director**") who has proposed that the directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt
- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising directors as they see fit from time to time, including, without limitation
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the directors or of a committee of the directors in relation to the Relevant Interest,
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the directors or of a committee of the directors where such Relevant Interest is to be discussed, or
 - (iii) restricting the application of the provisions in articles 6 5 and 6 6, so far as is permitted by law, in respect of such Interested Director,
 - (b) be withdrawn, or varied at any time by the directors entitled to authorise the Relevant Interest as they see fit from time to time, and
 - (c) an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising directors pursuant to section 175(5)(a) of the Act and this article 6
- 6 5 Subject to article 6 6 (and without prejudice to any equitable principle or rule of law which may excuse or release the director from disclosing information in circumstances where disclosure may otherwise be required under this article), if a director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the company, he shall not be required
- (a) to disclose such information to the company or to the directors, or to any director, officer or employee of the company, or
 - (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a director
- 6 6 Where such duty of confidentiality arises out of a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company, article 6 5 shall apply only if the conflict arises out of a matter which falls within article 6 1 or has been authorised under section 175(5)(a) of the Act (subject to any restrictions imposed by the authorising directors)
- 6 7 Where a director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the directors for the purpose of or in connection with the situation or matter in question, including without limitation

- (a) absenting himself from any discussions, whether in meetings of the directors or otherwise, at which the relevant situation or matter falls to be considered, and
 - (b) excluding himself from documents or information made available to the directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information
- 6 8 Subject to section 182 of the Act, a director shall declare the nature and extent of any interest permitted by article 6 1 at a meeting of the directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the directors may determine, except that no declaration of interest shall be required by a director in relation to an interest
 - (a) falling under article 6 1(g),
 - (b) if, or to the extent that, the other directors are already aware of such interest (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware), or
 - (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the directors, or by a committee of directors appointed for the purpose under these articles
- 6 9 Provided (if these articles so require) that he has declared to the directors, in accordance with the provisions of these articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the directors in authorising a Relevant Interest), a director, in relation to any resolution concerning a matter in which he has an interest, whether a direct or indirect interest, or in relation to which he has a duty
 - (a) can vote, and be counted in reckoning as to whether a quorum is present, at a meeting of the directors or of a committee of the directors, and
 - (b) shall be an Eligible Director, and be counted as participating, for the purposes of determining whether a quorum is participating
- 6 10 Subject to section 239 of the Act, the company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this article
- 6 11 For the purposes of this article 6
 - (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties,
 - (b) the provisions of section 252 of the Act shall determine whether a person is connected with a director, and
 - (c) a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified

7. Alternate directors

7 1 Any director (the "**Appointor**") (other than an alternate director) may appoint as an alternate any other director or any other person to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

in relation to the taking of decisions by the directors in the absence of the alternate's Appointor

7 2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the Appointor, or in any other manner approved by the directors

7 3 The notice must

- (a) identify the proposed alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

7 4 An alternate director may act as an alternate to more than one director and has the same rights, in relation to any directors' meeting (including as to notice) or directors' written resolution, as the alternate's Appointor

7 5 Except as these articles specify otherwise, an alternate director

- (a) is deemed for all purposes to be a director,
- (b) is liable for his own acts and omissions,
- (c) is subject to the same restrictions as his Appointor, and
- (d) is not deemed to be an agent of or for his Appointor,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member

7 6 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating), and
- (b) may sign a directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate)

No alternate may be counted as more than one director for such purposes

7 7 A director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the directors (provided that his Appointor is an Eligible Director in relation to that decision)

7 8 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the company

7 9 An alternate director's appointment as an alternate shall terminate

- (a) when the alternate director's Appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) on the occurrence in relation to the alternate director of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director,
- (c) on the death of the alternate director's Appointor, or
- (d) when the alternate director's Appointor's appointment as a director terminates for any other reason

8. Decision-making by shareholders

8 1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, the meeting shall stand adjourned to the same day in the next week at the same time and place or such date and time as the directors may determine Article 41(1) of the Model Articles shall not apply Article 41(4) of the Model Articles shall only apply to meetings adjourned under article 41(2) of the Model Articles

8 2 The provisions of section 318 of the Act shall apply to the company, save that

- (a) if there is only one shareholder who is permitted to vote upon the business at the meeting, the quorum for that part of meeting considering the business for which only one shareholder is permitted to vote shall be one Qualifying Person present at the meeting, and
- (b) if a quorum is not present at any meeting adjourned for the reason referred to in the first sentence of article 8 1, then, provided that the Qualifying Person present holds or represents the holder of at least 75 per cent in nominal value of the ordinary shares of the company in issue, any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the company duly convened and held

8 3 If any two or more shareholders (or Qualifying Persons representing two or more shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman

8 4 If at any general meeting any votes are counted which ought not to have been counted, or are not counted which ought to have been counted, the error shall not vitiate the result of the voting unless

- (a) it is pointed out at the same meeting, and
- (b) it is, in the opinion of the chairman of the meeting, of sufficient magnitude to affect the result of the voting

- 8 5 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made
- 8 6 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. Article 44(4) of the Model Articles shall not apply
- 8 7 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken
- 8 8 If the poll is to be held more than 48 hours after it was demanded the shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day
- 8 9 Proxies may only validly be appointed by a notice in writing (a **"Proxy Notice"**) which
- (a) states the name and address of the shareholder appointing the proxy,
 - (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,
 - (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and
 - (d) (subject to article 8 7) is either handed to the chairman any time before the start of the relevant meeting or delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate

Article 45(1) of the Model Articles shall not apply

- 8 10 If a Proxy Notice is executed on behalf of the shareholder appointing the proxy, it must be accompanied by written evidence of the authority (being the original, a duly certified copy of the grant of authority or such other evidence as the directors deem appropriate) of the person who executed it to execute it on the appointor's behalf. Article 46(4) of the Model Articles shall not apply

9. Shares

- 9 1 The issued share capital of the company at the date of adoption of these articles is divided into ordinary shares of £0.01 each
- 9 2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the company
- 9 3 Subject to articles 9 4, 9 5 and 9 6 and unless otherwise determined by special resolution, any equity securities shall, before they are allotted on any terms, be first

offered by the company on the same or more favourable terms to the shareholders in proportion as nearly as is practicable (without involving fractions) to the nominal value of the shares in the company held by them, save that no such offer shall be required for the first allotment(s) of equity securities made after incorporation by the directors to the first subscribers for shares in the company (after the subscriber(s) on incorporation)

- 9 4 Any offer required to be made under article 9 3 shall be made by written notice to each shareholder at his registered address or the email address provided for this purpose. If he has no registered address in an EEA State and has provided no email address for this purpose the offer shall be made by written notice to the address in an EEA State notified by him for the purpose of receiving notices. If a shareholder's registered address is not in an EEA State and he has not notified an address in an EEA State or provided an email address for this purpose, then the offer shall be deemed to have been made to him even though no notice is sent to him. The notice shall specify the number of equity securities offered and the period, being at least 14 days, within which the offer, if not accepted, will be deemed to have been declined. After the expiration of such period, or if earlier on receipt of notice of acceptance or refusal of each offer so made, the directors may, subject to these articles, allot such equity securities as have not been taken up in such manner as they think fit.
- 9 5 Article 9 3 shall not apply to the allotment by the directors of the first 2,600,000 ordinary shares allotted from the date of adoption of these articles.
- 9 6 Article 9 3 shall not apply to the allotment of equity securities which would, apart from a renunciation or assignment of their right to the allotment, be held under an employees' share scheme.
- 9 7 Subject to articles 9 3 and 9 4 and the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 9 8 No shares shall (unless the board resolves otherwise) be allotted to any employee, director, prospective employee or director who is resident in the United Kingdom unless such person has entered into a joint election with the company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
- 9 9 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder. Those redeemable shares shall be redeemed on the following terms and in the following manner:
- (a) a holder of a redeemable share may by at least 30 days' notice to the company at its registered office require the company to redeem it and on service of such notice the company shall redeem the shares to which such notice relates on the expiry of that 30 day period (or, if that day is not a working day, the next working day),
 - (b) the company may redeem a redeemable share by giving to its holder at least 30 days' notice in writing stating its wish to redeem it and such redemption shall take place on the expiry of that 30 day period (or, if that day is not a working day, the next working day),
 - (c) the sum payable to the holder on redemption of a redeemable share shall be its par value plus any declared but unpaid dividend in respect of that share (less any tax required to be withheld by law),
 - (d) the sum payable to the holder on redemption of a redeemable share shall be paid on redemption, or on such later date as the company and the holder may agree,

- (e) on redemption of a redeemable share the holder shall deliver the certificate for it to the company at its registered office (or such other place as the company may notify the holders of redeemable shares) for cancellation. If the certificate includes shares not being redeemed then a new share certificate for the balance of the redeemable shares shall be issued to the holder. If a shareholder, whose redeemable shares are to be redeemed, does not deliver the certificate for them at the time and place fixed for redemption or does not accept payment of the amount due to him on redemption, then the company shall hold the amount payable on redemption on trust for him.

9 10 Whenever as a result of a consolidation of shares any shareholders would become entitled to fractions of a share, the directors may, on behalf of those shareholders, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the company) and distribute the net proceeds of sale in due proportion among those shareholders. The directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

9 11 The company shall issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds. Every certificate shall specify

- (a) in respect of how many shares, of what class, it is issued,
- (b) the nominal value of those shares,
- (c) the amount paid up on them, and
- (d) any distinguishing numbers assigned to them.

Articles 24(1) and (2) of the Model Articles shall not apply.

9 12 A shareholder exercising the right to be issued with a replacement certificate under article 25 of the Model Articles shall comply with such conditions as to evidence, indemnity and payment of a reasonable fee as the directors decide, including but not limited to the payment of the expenses reasonably incurred (if any) by the company in investigating evidence as the directors may determine. Article 25(2)(c) of the Model Articles shall be modified accordingly.

9 13 The company may pay any person a commission in consideration for that person

- (a) subscribing, or agreeing to subscribe, for shares, or
- (b) procuring, or agreeing to procure, subscriptions for shares.

9 14 Any commission payable by the company may be paid

- (a) in cash, or in fully paid shares or other securities, or partly in one way and partly in the other, and
- (b) in respect of a conditional or an absolute subscription.

10. Transfer of shares

- 10 1 The directors shall refuse to register the transfer of any share unless such transfer is permitted by, or is made pursuant to and in accordance with these articles
- 10 2 Any person (the "**Proposed Transferor**") proposing to transfer any shares in the capital of the company shall give notice in writing (a "**Transfer Notice**") to the company that he desires to transfer the same and specifying the price per share at which he is willing to sell them. No Transfer Notice shall relate to more than one class of shares. The Transfer Notice shall constitute the company the agent of the Proposed Transferor for the sale of all (but not some only) of the shares comprised in the Transfer Notice together with all rights then attached thereto (the "**Sale Shares**") at the price determined in accordance with article 10 8 (the "**Price**"). A Transfer Notice shall be irrevocable except with the sanction of all of the directors and may require that unless all the shares comprised in it are sold none shall be sold
- 10 3 The company shall by notice in writing offer the Sale Shares to the Shareholders holding shares of the same class as the Sale Shares (other than the Proposed Transferor) in proportions as nearly as may be to the nominal amount of their existing holdings of shares of that class (the "**Offer**"). Any such offer shall be made within 14 days of the date on which the Price is agreed or determined in accordance with article 10 8 (the "**Price Date**") and shall lapse if not accepted within 30 days of the Price Date
- 10 4 The company shall by notice in writing offer any remaining Sale Shares that have not been accepted pursuant to the Offer to the holders of any other class or classes of Shares (other than the Proposed Transferor) in proportions as nearly as may be to the nominal amount of their existing holding of such other class or classes of Shares at the Price (the "**Second Offer**"). Any such offer shall be made within 7 days of the date on which the Offer lapses or if earlier the date on which all persons entitled to accept the Offer have indicated the maximum number of Sale Shares they wish to accept and shall specify that such offer must be accepted within 30 days or in default will lapse
- 10 5 If the company shall within the said time limits find purchasers for all or any of the Sale Shares it shall within 14 days of the expiry of such time limits or such earlier date as it may have found a purchaser for all the Sale Shares give notice thereof to the Proposed Transferor whereupon the Proposed Transferor shall become bound to sell and transfer the Sale Shares to the respective purchasers free from all liens charges encumbrances and third party rights and (unless the notice given under this article 10 5 provides otherwise) together with all rights attaching thereto at the date of sale. A notice under article 10 5 shall state the name and address of each of the purchasers and the number of shares to be purchased by him and shall designate a place and a time (being no more than 30 days following the date of such notice) for completion of the sale of the shares comprised in such notice. If a Transfer Notice states that the Proposed Transferor is not willing to sell part only of his shares the provisions of this article 10 5 shall not take effect unless the company shall have found purchasers for all such shares. Any offer made by the company in respect of shares comprised in such a Transfer Notice shall state as a condition of the offer that it is not capable of being accepted unless acceptances are received in respect of all the shares comprised in the relevant Transfer Notice
- 10 6 If the company shall not within the said time limits find purchasers for all the Sale Shares or if through no default of the Proposed Transferor the purchase of any of such shares is not completed within the time period specified in article 10 5 the company shall promptly give notice in writing thereof to the Proposed Transferor who shall be at liberty at any time within 3 months after the date of such notice to transfer such shares for which purchasers have not been found or in respect of which the sale was not completed as aforesaid to any person he may wish provided that

- (a) such sale is completed at a price no lower than the Price and that the terms of the payment of the purchase price are no more favourable to the purchaser than those offered to the shareholders or other persons hereunder, and
 - (b) if the Transfer Notice states that the Proposed Transferor is not willing to transfer part only of the Sale Shares he shall not be entitled to sell part only of such shares hereunder
- 10 7 If any shareholder shall fail or refuse to transfer any shares which he shall have become bound to transfer in accordance with the provisions of these articles, the directors may authorise some person to execute and deliver on his behalf a transfer or transfers of such shares to the purchaser or purchasers and the company may give a good receipt for the purchase price of such shares and register the purchaser or purchasers as holders thereof and issue to them certificates for the same whereupon the purchaser or purchasers shall become indefeasibly entitled thereto. The shareholder shall in such case be bound to deliver upon his certificate for the shares to the company whereupon the shareholder shall be entitled to receive the purchase price which shall in the meantime be held by the company on trust for the shareholder but without interest. If such certificate shall comprise any shares which the shareholder has not become bound to transfer as aforesaid the company shall issue to the Proposed Transferor a balance certificate for such shares.
- 10 8 The Price of the Sale Shares shall be agreed between any Proposed Transferor and the Directors within 14 days of the date of the Transfer Notice. In the absence of agreement, the Price, being the fair value of the Sale Shares, shall be determined by an independent chartered accountant ("the Valuation"), acting as expert and not arbitrator, appointed jointly by the Proposed Transferor and the company (or in the absence of agreement the Proposed Transferor and the company shall apply to the President for the time being of the Institute of Chartered Accountants of England and Wales to appoint an independent chartered accountant) and such Price shall be final and binding.
- 10 9 The cost of producing the Valuation shall be apportioned between the Proposed Transferor and the company and borne by either or both of them as the independent chartered accountants in their absolute discretion shall decide. In determining the fair value as aforesaid the independent chartered accountants shall
 - (a) be entitled to obtain professional valuations in respect of any of 4th Screen's assets and shall be considered to be acting as experts and not as arbitrators or arbiters and accordingly any provisions of law or statute relating to arbitration shall not apply,
 - (b) be instructed to take into account the price that a willing purchaser, under no compulsion to buy, would pay to acquire the relevant shares in an arm's length transaction,
 - (c) be instructed that there shall be no addition or subtraction of any premium or discount arising in relation to the size of the holding that is the subject of the relevant transfer, or in relation to any restrictions on the transferability of or on the voting rights attributable to the Sale Shares,
 - (d) assume (whether or not this is the case) that the management of the company shall remain in place for the foreseeable future,
 - (e) take into account not only growth achieved but also the prospects of the company for the foreseeable future,

- (f) be entitled to seek and obtain all such information from the company as may reasonably be available, and
 - (g) take into count any written submission supplied by a shareholder (provided always that such submissions are provided to all the shareholders at the same time)
- 10 10 If an independent chartered accountant is asked to determine the Price in accordance with article 10 8, the company shall, as soon as it receives the Valuation, furnish a copy thereof to the Proposed Transferor and the Proposed Transferor shall be entitled, by notice in writing given to the company within ten days of the service upon him of the Valuation, to cancel the company's authority to sell the Sale Shares
- 10 11 The restrictions on transfer contained in this article 10 shall not apply to a transfer under article 11 or 12 or to any instrument of transfer deposited at the registered office of the company together with the consent in writing of members holding shares conferring eighty-five per cent (85%) or more of the total voting rights conferred by all issued shares in the company, to such transfer being registered
- 10 12 Any transfer or purported transfer of a share made otherwise than in accordance with the foregoing provisions of this article 10 or article 11 or 12 shall be null and void and of no effect
- 11. Drag/Tag**
- 11 1 If at any time shareholders holding shares conferring sixty per cent (60%) or more of the total voting rights conferred by all issued shares in the company (together the **"Sale Shareholders"**) wish (other than pursuant to a permitted transfer falling within article 12) to transfer all their shares to any person (the **"Third Party"**) then the Sale Shareholders shall give notice to the company and all other shareholders of their intention to transfer their shares and the price at which they are to be sold For the avoidance of doubt, Sale Shareholders who give notice to the company and all other shareholders under this article 11 1 shall not be obliged to serve a Transfer Notice under article 10 2 or otherwise be subject to the requirements of article 10
- 11 2 The Sale Shareholders have the option (the **"Drag Along Option"**) to require all other shareholders (the **"Remaining Shareholders"**) to transfer all their shares to the Third Party
- 11 3 The Sale Shareholders may only exercise the Drag Along Option by giving notice to that effect (the **"Drag Along Notice"**) to the Remaining Shareholders specifying that the Remaining Shareholders are required to transfer their shares (the **"Called Shares"**) pursuant to article 11 2 and the price at which the Called Shares are to be transferred (determined in accordance with article 11 8)
- 11 4 A Drag Along Notice, once given, shall be irrevocable but both the Drag Along Notice and all obligations thereunder will lapse if for any reason the Sale Shareholders do not transfer all of their shares to a Third Party
- 11 5 Within 30 days after receipt of a notice under article 11 1, and without prejudice to the Drag Along Notice, the Remaining Shareholders may exercise an option (the **"Tag Along Option"**) to require their shares to be transferred to the Third Party to whom the Sale Shareholders are transferring their Shares
- 11 6 The Remaining Shareholders may only exercise the Tag Along Option by giving notice to that effect (the **"Tag Along Notice"**) to the Third Party specifying that the Third Party is required to purchase their shares (the **"Called Shares"**) pursuant to article 11 5 and the

price at which the Remaining Shares be transferred (determined in accordance with article 11 8)

- 11 7 A Tag Along Notice, once given, shall be irrevocable but both the Tag Along Notice and all obligations thereunder will lapse if for any reason the Sale Shareholders do not transfer all of their shares to a Third Party
- 11 8 The price per share and the form of consideration (whether cash or otherwise) to be paid by the Third Party to the Remaining Shareholders for the Called Shares shall be the same as the price per share and the same form of consideration (whether cash or otherwise that the Third Party is paying to Sale Shareholders in respect of their shares
- 11 9 If a Remaining Shareholder shall, for any reason, having become obliged to do so, fail to transfer his Called Shares in accordance with article 11 8, then any Director shall be authorised to execute any document required to transfer those Called Shares on behalf of the Remaining Shareholder. The company shall be appointed agent for the Remaining Shareholder to receive the monies on his behalf and shall keep such sums in a separate bank account upon trust for the Remaining Shareholder without any obligation to pay interest. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Remaining Shareholder shall surrender his share certificate for his shares (or provide a suitable indemnity) to the company. On surrender, he shall be entitled to the amount due to him
- 11 10 Completion of the sale of Called Shares shall be the same date as the date proposed for completion of the sale of the Sale Shareholders' shares unless all of the Remaining Shareholders and the Sale Shareholders agree otherwise
- 11 11 The Remaining Shareholders may at their discretion, and within 30 days of receipt of a Drag Along Notice, give notice to the company that they dispute the price per share being paid by the Third Party. In the event of dispute such Remaining Shareholders and the Sale Shareholders shall appoint an independent chartered accountant (or in the absence of agreement such Remaining Shareholders and the Sale Shareholders shall apply to the President for the time being of the Institute of Chartered Accountants of England and Wales to appoint an independent chartered accountant), acting as expert and not arbitrator, to determine the fair value to be paid for the Share Capital (taking into account, where applicable, the matters specified in article 10 9 (b) and (c)) and such value shall be final and binding upon the parties. Should the value determined by the independent chartered accountant be in excess of the aggregate sum being offered for the Share Capital then each of the Remaining Shareholders shall (notwithstanding any other provision of this article 11) not be obliged to transfer his Called Shares although the Remaining Shareholders shall be unable to prevent the implementation of the sale of the Sale Shareholders shares
- 11 12 On any person, following the issue of a Drag Along Notice, becoming a shareholder of the company pursuant to the exercise of a pre-existing option to acquire shares in the company or pursuant to the conversion of any convertible security of the company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all shares so acquired to the Third Party or as the Third Party may direct and the provisions of this article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder

12. Permitted Transfers of shares

- 12 1 A shareholder may at any time and at any price sell or otherwise transfer all or any of the shares held by it to any Affiliate of that shareholder, provided that such sale or transfer is

on terms that, if at any time (whether or not following one or more such sales or transfers pursuant to this article 12) it is proposed that the purchaser or transferee shall cease to be an Affiliate of the original shareholder or the purchaser or transferee shall receive or give notice of any petition or resolution to wind it up (whether compulsory or voluntarily) or shall receive a final notice of intention to dissolve, it shall prior to such change in status or event or immediately on receiving such notice (as the case may be) cause all of the shares then held by it to be sold or otherwise transferred forthwith back to the said original shareholder or another Affiliate of such original shareholder

12 2 For the purposes of this article 12, the expression "**Affiliate**" shall mean

(a) in the case of a body corporate

- (i) any Subsidiary or holding company (as defined in section 736 of the Companies Act 1985) of the body corporate for the time being and any subsidiary for the time being of any such holding company, or
- (ii) any person controlling or controlled by or under common control with such body corporate For the purposes of this definition, the term "control" when used with respect to any person shall mean the power to direct the management and policies of such person, directly or indirectly, whether as an officer or director, through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing, or

(b) in the case of an individual

- (i) that individual's spouse or children (together the individual's family),
- (ii) the trustee or trustees (acting as such) of any trust of which the individual is the settler,
- (iii) any company in which such individual holds (together with any other Affiliate of that individual) equity shares such that they are able to exercise or control the exercise of more than 50% of the votes able to be cast at a general meeting and all subsidiaries (as defined in section 736 of the Companies Act 1985) of any such company,
- (iv) any partnership in which such individual (together with any Affiliate of that individual) has the right to a share of more than 50% of the assets or more than 50% of the income of the partnership, and
- (v) a personal representative of that individual (but only acting in that capacity)

13. Distributions

13 1 Where a dividend or other cash sum which is a distribution is payable in respect of a share, it shall be paid by one or more of the following means

- (a) transfer to a bank or building society account specified by the distribution recipient (as defined in article 31(2) of the Model Articles) in writing,
- (b) sending of a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the

distribution recipient is a holder of the share), or (in any other case) to such other address as specified by the distribution recipient in writing,

- (c) sending of a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing, or
- (d) any other means of payment as the directors agree with the distribution recipient in writing

Article 31(1) of the Model Articles shall not apply

13 2 A capitalised sum which was appropriated from profits available for distribution may be applied

- (a) in or towards paying up any sums unpaid on existing shares held by the persons entitled, or
- (b) in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct

Article 36(4) of the Model Articles shall not apply

14. Secretary

The directors shall be entitled (but not required) to appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them

15. Communications

15 1 Subject to the Act, any notice given or document sent or supplied to or by any person under these articles, or otherwise sent by the company under the Act, may be given, sent or supplied

- (a) in hard copy form,
- (b) in electronic form,

or partly by one of these means and partly by another of these means

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this article 15

15 2 Any notice, document or other information given or supplied under the Act or the articles shall be deemed to have been serviced and be effective

- (a) if properly addressed and delivered by hand (whether in hard copy form or electronic form), at the time of delivery at the appropriate address,
- (b) if properly addressed to an address in the United Kingdom and posted by prepaid United Kingdom first class post (whether in hard copy form or electronic form), on receipt or 48 hours after the time it was posted, whichever occurs first,
- (c) if properly addressed and sent (either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom) by

reputable international courier addressed to the intended recipient, provided that delivery within at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider), five business days after posting or, if earlier, the date of delivery as confirmed by the courier service provider,

- (d) if sent by facsimile or email (to a fax number or an email address notified by the intended recipient for that purpose), on receipt or 24 hours after the time it was sent, whichever occurs first, and
- (e) if sent by any other electronic means, at the time such delivery is deemed to occur under the Act

15 3 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

15 4 Where the company is able to show that any notice, document or other information given or supplied under the Act or the articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or supply of that notice, document or other information shall be effective notwithstanding any receipt by the company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt

15 5 In the case of joint holders of a share all notices, documents or other information shall be given or supplied to the joint holder whose name stands first in the register of members of the company in respect of the joint holding (the "**Primary Holder**") Notice so given shall constitute notice to all the joint holders and any other documents or information so supplied shall be deemed to have been given to all the joint holders

15 6 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise)

15 7 A document or information sent or supplied to the company by one person on behalf of another must be accompanied by written evidence of the authority (being the original, a duly certified copy of the grant of authority or such other evidence as the directors deem appropriate) of that person to act on behalf of the other

16. Indemnity and insurance

16 1 Subject to article 16 2

- (a) each Relevant Officer of the company or an associated company shall be indemnified out of the company's assets against
 - (i) any liability incurred by that person in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,
 - (ii) any liability incurred by that person in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act), and

- (iii) any other liability incurred by that person as an officer of the company or an associated company, and
 - (b) the company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with defending any civil or criminal proceedings or any application relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs and otherwise may take any action to enable any such Relevant Officer to avoid incurring such expenditure
- 16 2 This article 16 does not authorise or provide any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law
- 16 3 The directors shall be entitled to purchase and maintain insurance, at the expense of the company, for the benefit of any Relevant Officer in respect of any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company
- 16 4 In this article 16, companies are "associated" if one is a subsidiary of the other or both are subsidiaries of the same body corporate
- 16 5 Articles 52 and 53 of the Model Articles shall not apply