

Company Number: 09181487

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ORDINARY AND SPECIAL RESOLUTIONS
of
LOYALTY ANGELS LIMITED

(Passed 4 February 2015)

By written resolutions of the Company duly passed on 4 February 2015 the following Ordinary and Special Resolutions were duly passed

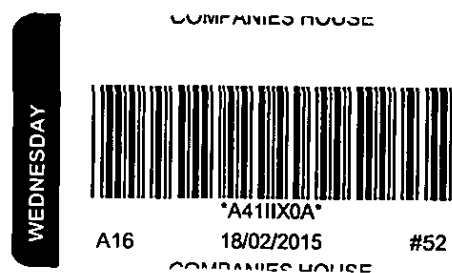
Ordinary Resolutions

- 1 That each of the issued 1,000 Ordinary Shares of 10p each in the capital of the Company be divided into 10 Ordinary Shares of 1p each
- 2 That each of the issued 10,000 Ordinary Shares of 1p each in the capital of the company following the passing of resolution 1 above be redesignated as an A Ordinary Share of 1p each having the rights, and being subject to the restrictions set out in the new articles of association of the Company adopted pursuant to resolution 4 below

Special Resolutions

- 3 That the Directors of the Company be and they are hereby empowered to allot A Ordinary Shares of 1p each in the capital of the Company pursuant to the authority conferred by Article 5 1 of the new articles of association of the Company adopted pursuant to resolution 4 below (the "**New Articles**") as if Article 6 1 of the New Articles did not apply to any such allotment
- 4 That the regulations contained in the printed document annexed hereto be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, all the existing articles thereof


Director



DATED 4 FEBRUARY 2015

ARTICLES OF ASSOCIATION
of
LOYALTY ANGELS LIMITED

Spearing|Waite LLP

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

LOYALTY ANGELS LIMITED

(company number 09181487)

(Adopted by special resolution passed on 4 February 2015)

INTRODUCTION

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

A Ordinary Shares means the A Ordinary Shares of £0.01 each in the capital of the Company and **A Ordinary Shareholder** means a holder of any of those shares,

Accepting Shareholder has the meaning given in Article 7.5,

Acting in Concert has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

Articles means the Company's Articles of Association,

B Investment Shares means the B Investment Shares of £0.01 each in the capital of the Company and **B Investment Shareholder** means a holder of any of these shares,

Board means the board of Directors,

Business Day means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

Buyer has the meaning given in Article 7.1,

Called Shares has the meaning given in Article 8.2.1,

Called Shareholder has the meaning given in Article 8.1,

Companies Act means the Companies Act 2006,

Completion Date has the meaning given in Article 8.5,

Controlling Interest means an interest in Shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010,

Directors means the directors of the Company from time to time, and **Director** means any one of them,

Drag Along Notice has the meaning given in Article 8 2,

Drag Along Option has the meaning given in Article 8 1,

First Offer Period has the meaning given in Article 6 2 3,

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

Offer has the meaning given in Article 7 2,

Offer Notice has the meaning given in Article 7 3,

Offer Period has the meaning given in Article 7 3,

Offer Shares has the meaning given in Article 7 3 4,

Price has the meaning given in Article 6 2 2 2,

Proposed Buyer has the meaning given in Article 8 1,

Proposed Transfer has the meaning given in Article 7 1,

Purchase Notice has the meaning given in Article 6 2 4,

Purchasing Shareholder has the meaning given in Article 6 2 4,

Qualifying Shareholder means a Shareholder holding 25% or more of the issued A Ordinary Shares for the time being,

Sale Date has the meaning given in Article 7 3,

Sellers' Shares has the meaning given in Article 8 1,

Selling Shareholder has the meaning given in Article 8 1,

Shareholders means all or any of those persons whose names are entered in the register of members of the Company, and **Shareholder** shall mean any one of them,

Shares all or any Shares in the Company,

Specified Price has the meaning given in Article 7 2,

Transfer Notice has the meaning given in Article 6 2 1,

Transferring Shares has the meaning given in Article 6 2 1,

Transferring Shareholder has the meaning given in Article 6 2 1,

1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles,

subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Companies Act shall have the same meanings in these Articles

- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "**Article**" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- 1 5 1 any subordinate legislation from time to time made under it, and
- 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words following those terms
- 1 7 The singular includes the plural, the masculine includes the feminine and, in each case, vice versa
- 1 8 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 9 Articles 13 and 14 of the Model Articles shall not apply to the Company

2 QUORUM FOR GENERAL MEETINGS

The quorum for a general meeting shall be at least 2 Shareholders holding a majority of the A Ordinary Shares

3 DIRECTORS' CONFLICTS OF INTEREST

If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that Director shall be counted as participating in the decision-making process for quorum or voting purposes, provided that he has declared the nature and extent of such interest as required by the Companies Act

4. CASTING VOTE

If the numbers of votes for and against a proposal at a meeting of the Directors are equal, the chairman or other Director chairing the meeting shall have a casting vote

5 DIRECTORS' AUTHORITY TO ALLOT

- 5 1 The Directors are generally and unconditionally authorised, in accordance with section 551 of the Companies Act, to exercise all the powers of the Company to allot Shares or to grant rights or to subscribe for or convert any security into Shares up to a maximum nominal value of £1,200

- 5 2 The authority contained in Article 5 1 shall expire on the day five years after the date of the adoption of these Articles

6 PRE-EMPTION RIGHTS OF SHAREHOLDERS

- 6 1 Sections 561 and 562 of the Companies Act are excluded as regards B Investment Shares and Shareholders holding B Investment Shares provided that such sections shall apply mutatis mutandis in respect of A Ordinary Shares and Shareholders holding such A Ordinary Shares. The foregoing provisions of this Article 6 1 shall not apply in relation to further issues of A Ordinary Shares where each A Ordinary Shareholder is notified by the Board 5 Business Days in advance and is entitled to participate so as to preserve or increase their then proportionate shareholdings

- 6 2 Subject to Article 10, A Ordinary Shareholders shall not transfer any A Ordinary Shares, except in the circumstances set out in Articles 6 2 1 to 6 2 9 and, for the avoidance of doubt and without prejudice to the generality of Article 26 of the Model Articles, the Board may refuse to register the transfer of any A Ordinary Share, if it has not been transferred in accordance with Articles 6 2 1 to 6 2 9

- 6 2 1 Any A Ordinary Shareholder who wishes to transfer any A Ordinary Shares (the "**Transferring Shareholder**") shall before transferring or agreeing to transfer such shares (the "**Transferring Shares**") or any interest in them, first offer those Transferring Shares to the existing A Ordinary Shareholders, by giving irrevocable written notice to the Company (a "**Transfer Notice**")

- 6 2 2 The Transfer Notice shall specify

- 6 2 2 1 the number of Transferring Shares the Transferring Shareholder wishes to transfer, and

- 6 2 2 2 the price (in cash) and any other consideration, at which the Transferring Shareholder wishes to transfer the Transferring Shares (which shall be the price offered to the Transferring Shareholder by a bona fide third party for the Transferring Shares, or in the absence of such an offer, the price calculated pursuant to Articles 6 2 7 and 6 2 8, in which case the Transfer Notice shall not specify a price) (the "**Price**")

- 6 2 3 Upon receipt of the Transfer Notice, the Board shall as soon as reasonably practicable, offer the Transferring Shares to the other A Ordinary Shareholders, inviting those A Ordinary Shareholders to state by notice in writing to the Company within 10 Business Days of the offer by the Board (the "**First Offer Period**"), whether they are willing to purchase at the Price, such number of Transferring Shares as corresponds to the proportion of other A Ordinary Shares held by them respectively

- 6 2 4 Each A Ordinary Shareholder who wishes to purchase the shares offered to him in accordance with Article 6 2 3 above, (a "**Purchasing Shareholder**") may within the First Offer Period, serve notice (the "**Purchase Notice**") on the Board specifying how many Transferring Shares he wishes to purchase

- 6 2 5 If following the expiry of the First Offer Period there remain Transferring Shares not accepted by A Ordinary Shareholders, the Board shall reoffer the unaccepted Transferring Shares to the Purchasing Shareholders within a further 10 Business Days, in the appropriate proportions until such time as the Transferring Shares are exhausted or no further acceptances are forthcoming from Purchasing Shareholders and the Board shall conduct such process as it sees fit

- 6 2 6 Any Transferring Shares not accepted pursuant to Articles 6 2 4 and 6 2 5 may be transferred by the Transferring Shareholder to any person, provided the transfer is at the Price and takes place within 60 Business Days of the end of the First Offer Period
- 6 2 7 If there is no bona fide third party offer for any of the Transferring Shares, the Price shall be such price per Transferring Share as may be determined by the accountants for the time being of the Company as the fair value thereof. The Board shall instruct such accountants to specify such fair value as soon as practicable upon receipt of the Transfer Notice not having the Price specified therein and such accountants shall, acting as experts and not arbitrators, calculate the fair value on such bases as they consider most applicable, but without discount for minority or uplift for majority shareholdings and their costs and expenses shall be borne equally by the Company and the Transferring Shareholder
- 6 2 8 In determining the fair value of the Transferring Shares, the accountants will rely on the following assumptions: the sale is between a willing seller and a willing buyer of the Transferring Shares, the Company is carrying on its business as a going concern and shall continue to do so, the Transferring Shares are sold free of all restrictions, liens, charges and other encumbrances and the sale is taking place on the date the accountants were instructed to calculate the fair value
- 6 2 9 Following completion of the procedure in respect of the Transferring Shares set out in Articles 6 2 1 to 6 2 8, the Transferring Shareholder shall sell the Transferring Shares as required and shall execute and deliver to the Board stock transfer forms relating to the Transferring Shares as required by the Board against receipt of the Price which the Board may receive from and transfer on behalf of purchasers
- 6 3 The provisions of Article 6 2 above shall not apply with regard to B Investment Shares. Any B Investment Shareholder shall be entitled to transfer or transmit B Investment Shares to such persons and at such prices as they see fit, provided that such transfer is in respect of the B Investment Shareholder's entire holding of B Investment Shares to a single transferee (except with the prior sanction of a resolution of the Board)
- 7. TAG ALONG RIGHTS ON A CHANGE OF CONTROL**
- 7 1 The provisions of Articles 7 2 to 7 6 shall apply if, in one or a series of related transactions, one or more Shareholders propose to transfer any Shares ("**Proposed Transfer**") which would, if carried out, result in any person ("**Buyer**"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company
- 7 2 Before making a Proposed Transfer, each Shareholder proposing to transfer Shares shall procure that the Buyer makes an offer ("**Offer**") to all of the other Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 12 months preceding the date of the Proposed Transfer ("**Specified Price**")
- 7 3 The Offer shall be given by written notice ("**Offer Notice**"), at least 30 Business Days ("**Offer Period**") before the proposed sale date ("**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out
- 7 3 1 the identity of the Buyer,
- 7 3 2 the purchase price and other terms and conditions of payment,

- 7 3 3 the Sale Date, and
- 7 3 4 the number of Shares proposed to be purchased by the Buyer ("**Offer Shares**")
- 7 4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with Articles 7 2 and 7 3, the Shareholders proposing to transfer Shares shall not be entitled to complete the Proposed Transfer and the Directors shall not register any transfer of Shares effected in accordance with the Proposed Transfer
- 7 5 If the Offer is accepted in writing by any Shareholder ("**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders
- 7 6 If any Accepting Shareholder does not, at the time appointed for completion of the Proposed Transfer, deliver a duly executed stock transfer form in respect of the Offer Shares then the defaulting Accepting Shareholder shall be deemed to have irrevocably appointed any Director to be his agent or attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such Accepting Shareholder) of the consideration payable for the Offer Shares. After the Buyer has been registered as the holder of such Offer Shares the validity of such proceedings shall not be questioned by any such person. Failure to produce a Share certificate shall not impede the registration of Shares under this Article 7
- 8 **DRAG ALONG OPTION**
- 8 1 If the holders of a majority percentage of the A Ordinary Shares in issue for the time being ("**Selling Shareholders**") wish to transfer all of their interest in the Shares ("**Sellers' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Selling Shareholders may require all other Shareholders ("**Called Shareholders**") to sell and transfer all their Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article ("**Drag Along Option**")
- 8 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify
 - 8 2 1 that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to this Article 8,
 - 8 2 2 the person to whom the Called Shares are to be transferred,
 - 8 2 3 the consideration payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per Share offered by the Proposed Buyer for the Sellers' Shares, and
 - 8 2 4 the proposed date of the transfer
- 8 3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice
- 8 4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 8

8 5 Completion of the sale of the Called Shares shall take place on such date as the Proposed Buyer may specify pursuant to Article 8 2 4 ("**Completion Date**") The Completion Date shall be such specified date unless the Proposed Buyer, all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of them

8 6 On the Completion Date the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Proposed Buyer against payment of the amounts they are due for their Shares pursuant to Article 8 2 3

8 7 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any Director to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person Failure to produce a Share certificate shall not impede the registration of Shares under this Article 8

9 RIGHTS ATTACHING TO SHARES

9 1 The share capital of the Company shall comprise A Ordinary Shares and B Investment Shares The A Ordinary Shares and B Investment Shares shall rank pari passu in all respects, save as provided in these Articles

9 2 The B Investment Shares shall have no voting rights attached to them, and holders of B investment Shares shall not have the right to receive notices of any general meetings, or the right to attend at such general meetings

9 3 No dividend shall be payable in respect of any Shares unless and until the amount of such dividend when aggregated with all dividends then payable to the holder of such Shares exceeds the sum of £50 and all the dividends declared but not paid pursuant to this Article 9 3 shall be held by the Company as dedicated retained dividends on trust for such holder of Shares and shall be payable to such persons either upon the winding up of the Company or when the cumulative value of such withheld dividends exceeds £50

10 PURCHASE OF OWN SHARES

10 1 Subject to the Companies Act but without prejudice to any other provision of these Articles, save for as per Article 10 2 below, the Company may purchase its own shares with cash up to any amount in a financial year not exceeding the lower of

10 1 1 £15,000, and

10 1 2 the value of 5% of the Company's share capital

10 2 The provisions of Article 6 2 shall not apply to this Article 10

11 ELECTRONIC COMMUNICATION

11 1 Without prejudice to Article 48 of the Model Articles, notices and any other communications sent or supplied, by or to Shareholders or Directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Companies Act (including via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar

mechanism duly notified to such Shareholder or Director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such Shareholders or Directors)

- 11 2 For the purposes of Article 11 1 above, the Company can assume that any email addresses supplied to the Company, its officers or agents by Shareholders or Directors are up to date and current, and it is the sole responsibility of each Shareholder and Director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all Shareholders and Directors agree that the Company has no responsibility to any Shareholder or Director who fails to receive any notice or other communication as a result of the Shareholder or Director failing to comply with this Article 11 2
- 11 3 When any notice or communication is sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, an email shall be sent to Shareholders to inform them of the existence of the notice or communication made on such website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism in accordance with Schedule 5 of the Companies Act
- 11 4 Any notice or communication sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, shall be deemed to have been served on the intended recipient when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website, and any notice or communication sent by electronic mail or fax shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission
- 11 5 The Company's obligation to send or supply any notice or communication to Shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control
- 11 6 Each Shareholder and Director shall for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Companies Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on a website

12 BOARD REPRESENTATION

- 12 1 Any Qualifying Shareholder shall be entitled to be a Director of the Board, or to appoint one nominee Director to the Board, and to remove and replace such nominee Director upon written notice to the Board, provided that such nominee Director shall have been previously approved by the Board such approval not to be unreasonably withheld or delayed

Any Director appointed to the Board in accordance with Article 12 1 above shall immediately resign as a Director should his appointing Qualifying Shareholder, cease to be a Qualifying Shareholder