

Company number 09413960

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

STAR AND ARROW LIMITED (Company)

8/3 2016 (Circulation Date)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution be passed as a special resolution, as referred to below (Resolution)

SPECIAL RESOLUTION

THAT, the articles of association in the form annexed hereto be and hereby are adopted as the new articles of association of the Company in substitution for the existing articles of association

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolution

The undersigned, persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution

Signed by **Peter Gostling**

Date

Signed by **David Newton**

Date

P. Gostling
8/3/16

D. Newton
8/3/16

THURSDAY



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14/04/2016

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COMPANIES HOUSE

NOTES

1 If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning the signed version either by hand, email or post to any director of the Company or the Company's solicitors, Jacksons Law Firm

If you do not agree to the Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply

2 Once you have indicated your agreement to the Resolution, you may not revoke your agreement

3 Unless, within 28 days (including the Circulation Date), sufficient agreement has been received for the Resolution to pass, they will lapse If you agree to the Resolution, please ensure that your agreement reaches us before or during this date

STAR AND ARROW LIMITED

Articles of Association

**Adopted by special resolution
passed on 8/3 2016**

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

STAR AND ARROW LIMITED

(Adopted by special resolution passed on 8/3 2016)

INTRODUCTION

1 Interpretation

1.1 In these Articles, unless expressly provided otherwise, the following words have the following meanings

Act	the Companies Act 2006,
Adoption Date	the date of adoption of these Articles,
Articles	the Company's articles of association for the time being in force,
A Director	a director appointed (or deemed to have been appointed) by the holder(s) of the A ordinary shares pursuant to article 5.2,
B Director	a director appointed (or deemed to have been appointed) by the holder(s) of the B ordinary shares pursuant to article 5.3,
Business Day	a day falling between Monday and Friday (inclusive) excluding public holidays in England,
Companies Acts	has the meaning given to it in the Act,
Company	Star and Arrow Limited (company number 09413960),
connected	has the meaning given in section 252 of the Act,
Continuing Shareholder(s)	in relation to a Transfer Notice, the holders of the class of shares which is not the subject of the Transfer Notice and Continuing Shareholder shall mean any of the Continuing Shareholders,
Deemed Transfer Notice	a Transfer Notice which is deemed to have been served in accordance with article 18,
Directors	the directors of the Company from time to time,
Eligible Director	means a Director who is entitled to form part of the quorum and have his vote counted in relation to a particular matter at a meeting of Directors,
Expert	an independent chartered accountant agreed upon between the holder(s) of a majority of the A ordinary shares and the holder(s) of a majority of the B ordinary shares or in default of agreement nominated by the Institute of Chartered Accountants for England and Wales on the application of the holder(s) of a majority of either class of Ordinary Shares

Fair Value	is defined in article 17 2,
Group	the Company and its subsidiaries (if any) from time to time and Group Company shall be construed accordingly,
holding company	has the meaning given in section 1159 of the Act,
Minimum Transfer Condition	is defined in article 16 2 4,
Model Articles	the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (S/ 2008/3229), as amended prior to the Adoption Date,
Ordinary Shares	the A ordinary shares of £1 00 each and the B ordinary shares of £1 00 each in the capital of the Company,
Founders	David Newton and Peter Gostling and Founder shall mean either of the Founders,
Seller	has the meaning given in article 16 2,
Shareholder	a holder for the time being of any Share or Shares and Shareholders shall be interpreted accordingly,
Shares	shares (of any class) in the capital of the Company and Share shall be interpreted accordingly,
subsidiary	in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act),
Transfer Notice	has the meaning given in article 16 2, and
Transfer Price	has the meaning given in article 17

1 2 A reference in these Articles to

1 2 1 an **Article** is a reference to the relevant numbered article of these Articles, and

1 2 2 a **model article** is a reference to the relevant article

unless expressly provided otherwise

1 3 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 Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date)

1 4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

1 5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa

1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as in force from time to time, taking account of

1 6 1 any subordinate legislation from time to time made under it, and

1 6 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

1 7 Where a requirement is imposed under these Articles for a document to be signed, it must be signed by hand without the use of any electrical device

1 8 Where a power is given under these Articles to the holder(s) of any class of shares, it may be exercised by the holder(s) of the majority of the shares in the relevant class, whether or not this is specified in the particular Article

2 Adoption of the Model Articles

2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation

2 2 Model articles 7, 8, 11(2) and (3), 12, 13, 14(1) to (5) (inclusive), 26(5), 39 and 51 to 53 (inclusive) shall not apply to the Company

DIRECTORS

3 Business of the Company

The business of the Group shall consist of the development and exploitation of a web based events management and sponsorship service and the supply of event management and/or sponsorship consultancy services

4 Powers of Directors

4 1 Subject to the following provisions of this article 4, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all of the powers of the Company

4 2 If both an A Director and a B Director are in office, save as provided in the remaining provisions of this Article 4, the Directors may not take any of the following actions (**Reserved Matters**) or authorise any Group Company to take any of the following actions without the written approval of both the A Director and the B Director

4 2 1 engage in any business other than that described in article 3,

4 2 2 pay or agree to pay any amount of remuneration or grant any other benefit to a Director,

4 2 3 sell the business and assets of the Company or a substantial part of them,

4 2 4 appoint any person to be a director of the Company,

4 2 5 issue any share or securities in the Company (or any option to acquire the same) or contract to do so,

4 2 6 recommend, declare or pay any dividend to the members of the Company,

4 2 7 vary the salary, fees or benefits of any employee of the Company,

4 2 8 appoint or terminate the employment of any employee of the Company,

4 2 9 appoint any accountant, lawyer or other professional adviser to advise the Company,

4 2 10 enter into any contract which is not on an arm's length basis, in the ordinary course of the Company's business and on the basis of the Company's standard terms and conditions of business (if any),

- 4 2 11 vary the Company's standard terms and conditions of business or any other standard agreement used by the Company (whether generally or on an individual basis),
- 4 2 12 take out any contract of insurance, other than renewal of a policy previously approved in accordance with this article 4 or which is required by law, on behalf of the Company or cancel or make any substantial changes to the Company's insurance arrangements,
- 4 2 13 borrow any sum under an account or agreement in the name of the Company,
- 4 2 14 factor or assign any book debts of the Company,
- 4 2 15 either
 - (i) open or close any bank account of the Company,
 - (ii) alter any mandate given to the Company's bankers relating to any matter concerning the operation of the Company's bank accounts, or
 - (iii) change the Company's bankers,
- 4 2 16 appoint any agent or intermediary to conduct any part of the Business on behalf of the Company,
- 4 2 17 threaten, institute, settle or compromise any legal proceedings or submit to arbitration or alternative dispute resolution any dispute involving the Company,
- 4 2 18 make any agreement with any revenue or tax authorities or make any claim, disclaimer, election or consent for tax purposes in relation to the Company or its business,
- 4 2 19 give any guarantees or indemnities in the name of the Company,
- 4 2 20 take any steps to wind the Company up or to place it into administration (unless it is insolvent or the step is taken in accordance with other provisions of these Articles),
- 4 2 21 change the Company's financial year end,
- 4 2 22 sell or create any trust or security over the shares in any subsidiary of the Company,
- 4 2 23 authorise the issue of any new shares in the capital of any subsidiary of the Company,
- 4 2 22 give notice of termination of any arrangements, contracts or transactions which are of a material nature in the context of the Company's business, or materially vary any such arrangements, contracts or transactions,
- 4 2 23 create any security over the whole or any part of the business or assets of the Company,
- 4 2 24 make any acquisition of a business or share(s), or subscribe for shares, in any corporation,
- 4 2 25 make changes to the scope of the Company's business,
- 4 2 26 commit the company to any capital expenditure,
- 4 2 27 enter into any contract with a director or Shareholder or any person connected with a director or Shareholder or vary the terms of or cancel any such contract,
- 4 2 28 reduce, re-designate, convert, buyback or make any other changes to the share capital of the Company (or any part of it), or
- 4 2 29 write off any debt or amount owed to the Company or release any contractual obligations owed to the Company in each case by a Director or one or more of his connected parties

All references to 'the Company' in articles 4 2 1 to 4 2 29 shall be read as references to the relevant Group Company as they apply to the authorisation of such actions to be taken by the Group Company

4 3 Failure to obtain approval under article 4 2 shall not affect the validity of an action which is in fact approved by both the A Director and the B Director

4 4 The director appointed by the Continuing Shareholder(s) shall be entitled to exercise all of the powers of the Company in connection with the option granted under article 16 5 or to waive the Company's rights thereunder, in each case without any sanction from the board of directors Any such waiver must be in signed writing to be effective

4 5 Where the periodical payment of remuneration to a Director is approved, the continued entitlement of the Director to receive such remuneration shall be conditional upon the continued consent of both the A Director and the B Director Either Director may withdraw his consent by written notice served on the other whereupon no further remuneration shall be paid to or accrue to the Director

4 Appointment and removal of directors

5 1 Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than one

5 2 The holder(s) of the A ordinary shares (or their personal representatives) shall be entitled to have a maximum of one director appointed by them holding office as a director of the Company at any one time Appointments shall be made by service of a written notice on the Company and a director so appointed may be removed and replaced by holder(s) of the A ordinary shares (or their personal representatives) by the same method Mr Gostling who is in office on the Adoption Date shall be deemed to have been appointed under this article 5 2 Upon registration of the transfer of any A ordinary shares, a notice removing the director appointed in accordance with this clause shall be deemed to have been given unless the person(s) who will be the holders of the A ordinary shares after registration of the transfer serve a notice on the Company in advance of registration confirming that they wish the current appointment to continue Whilst David Newton continues in office as a director of the Company, the only person who may be validly appointed under this article shall be Peter Gostling, if Mr Gostling holds any A ordinary share, is living and none of the circumstances described in Articles 5 5 3 – 5 5 7 apply to him The Directors shall procure that a person appointed from time to time as a Director in accordance with this article 5 2 shall, if they consent to so act, be appointed as a director of any Group Company

5 3 The holder(s) of the B ordinary shares (or their personal representatives) shall be entitled to have a maximum of one director appointed by them in office as a director of the Company at any one time Appointments shall be made by service of a written notice on the Company and a director so appointed may be removed and replaced by the holder(s) of the B ordinary shares (or their personal representatives) by the same method David Newton who is in office on the Adoption Date shall be deemed to have been appointed under this article 5 3 Upon registration of the transfer of any B ordinary shares, a notice removing the director appointed in accordance with this clause shall be deemed to have been given unless the person(s) who will be the holders of the B ordinary shares after registration of the transfer serve a notice on the Company in advance of registration confirming that they wish current the appointment to continue Whilst Peter Gostling continues in office as a director of the Company, the only person who may be validly appointed under this article shall be David Newton, if Mr Newton holds any B ordinary share, is living and none of the circumstances described in Articles 5 5 3 – 5 5 7 apply to him The Directors shall procure that a person appointed from time to time as a Director in accordance with this article 5 3 shall, if they consent to so act, be appointed as a director of any Group Company

5 4 Subject to article 5 5, a director shall not be taken to have resigned from office except by signed writing to that effect delivered to the Company or any director A resignation specifying a resignation date in the future may be revoked prior to that date by the same means as the resignation was originally given, whereupon the resignation shall be deemed never to have been given

5 5 A director shall be deemed to have resigned from office (for all purposes, including in relation to articles 18 2 and 21) if any of the following events occur

5 5 1 (if he is a Shareholder) upon the completion of the transfer of the last of his Shares (if he shall not have resigned previously),

5 5 2 he ceases to be a director by virtue of any provision of the Companies Act 2006,

5 5 3 he is prohibited from being a director by law,

5 5 4 a bankruptcy order is made against him,

5 5 5 a composition is made with his creditors generally in satisfaction of his debts,

5 5 6 a registered medical practitioner who is treating him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a director and may remain so for more than three months, or

5 5 7 by reason of his mental health, a court makes an order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have

A director who is deemed to have resigned from office as a result of article 5 5 3, 5 5 4 or 5 5 5 must forthwith make the other directors and the Shareholders aware that an event falling within one of these Articles has occurred (and the nature of that event)

5 6 The holder(s) of the majority of the A ordinary shares and a majority of the B ordinary shares acting together may, by notice in writing to the Company, appoint any person to be a Director and may remove any person from the office of Director

6 Proceedings of directors

6 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with article 6 3 (subject to article 6 5) All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall, subject to Article 4 2, be decided by a majority of votes

6 2 Board meetings shall be called on not less than seven days' notice unless the holder(s) of a majority of the A ordinary shares and the holder(s) of a majority of the B ordinary shares agree otherwise Notice of a board meetings must be given or confirmed (within one Business Day) by email to the usual email address used by each other director in connection with the Company or such other email address as each Director may specify (whether generally or for a specified period) for this purpose If the A Director and B Director participate in a board meeting or if all of the Directors participate in the board meeting, the fact that less than seven days' notice of the meeting was given shall not invalidate the proceedings

6 3 Outside of a directors' meeting, the Directors may take a decision unanimously A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter

6 4 A decision taken in accordance with article 6 3 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

6 5 A decision may not be taken in accordance with article 6 3 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with article 6 6

6 6 The quorum for any meeting (or part of a meeting) of the Directors shall be two Eligible Directors (including both the A Director and B Director if they are in office), unless

6 6 1 there is only one Eligible Director, in which case the quorum shall be one, or

6 6 2 article 6 7 applies

6 7 If a director has been absent from two consecutive board meetings, properly convened in accordance with these articles, provided that the notice of meeting so states, the next properly convened board meeting shall be quorate even if there is only one director present (provided that he is either an A Director or a B Director) For the avoidance of doubt, clause 4 2 shall continue to apply notwithstanding that the quorum may be lowered to one director

6 8 Subject to Article 4 2, questions arising at any meeting of the Directors shall be decided by a majority of votes

6 9 A decision properly taken by the directors in accordance with these articles is binding on the directors as a whole until varied or revoked by a later decision

6 10 David Newton shall, whilst he continues to be a Director, be the chairman of the Directors and the Company but shall not have a casting vote at meetings of the Directors

7 Transactions or other arrangements with the Company

7 1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts or the nature and extent of his interest was already known to all other directors, a Director who is any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

7 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

7 1 2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,

7 1 3 shall be entitled to vote at a meeting of Directors or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,

7 1 4 may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,

7 1 5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

7 1 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

8 Directors' conflicts

8 1 The Directors may, in accordance with the requirements set out in this article 8, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

- 8 2 Any authorisation under this article 8 will be effective only if
- 8 2 1 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
 - 8 2 2 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 8 3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently)
- 8 3 1 extend to any actual or potential conflict of interest which may arise out of the matter or situation so authorised,
 - 8 3 2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict,
 - 8 3 3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution to any resolution related to the Conflict,
 - 8 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,
 - 8 3 5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation the Company's affairs where to do so would amount to a breach of that confidence, and
 - 8 3 6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters
- 8 4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict
- 8 5 The Directors may not revoke or vary any authorisation given to an A Director or B Director in accordance with this article 8 unless the authorisation is stated to be revocable when granted Authorisations given to other directors shall be subject to variation or revocation
- 8 6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

9 Secretary

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors

SHARES AND DISTRIBUTIONS

10 Share Classes

Save as set out in articles 11 below, the A ordinary and B ordinary shares in the capital of the Company shall rank *pari passu* for all purposes

11 Dividends

Any profits which the directors may determine to distribute in respect of any financial period of the Company shall be distributed amongst the holders of the A ordinary shares and B ordinary shares as the Directors shall in their absolute discretion determine, save that an equal distribution shall be made in respect of each share in the same class. In the absence of agreement to the contrary, profits which the Directors determine to distribute in respect of any financial period of the Company will be distributed equally amongst the holders of the Ordinary Shares

12 Capital

12.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities (**Surplus**) shall be distributed amongst the holders of the Ordinary Shares pro rata to the number of Ordinary Shares held

13 Share Issues

13.1 If the Company wishes to allot Shares (the **Offer Shares**) it must first invite the holder(s) of the A ordinary shares and B ordinary shares (**Qualifying Shareholders**) by notice in writing to subscribe for the Offer Shares. An invitation under this Article 10.1 shall be open for acceptance for at least 21 days but not more than 35 days after notice of it is given to the members

13.2 The Offer Shares shall be allocated by the Directors in satisfaction of the applications received from members in accordance with the procedures set out in this Article 10

13.3 If the total number of Offer Shares applied for by the members is equal to or less than the number of Offer Shares available, the Offer Shares shall be allocated in satisfaction of the applications received

13.4 If the total number of Offer Shares applied for is more than the number of Offer Shares available, the directors shall allocate Offer Shares in satisfaction of each member's application for Offer Shares in accordance with the following formula (rounded down to the nearest whole number of shares). This formula shall be applied repeatedly until there are no Offer Shares left to be allocated. Each application of the formula is an 'iteration'

$$A = \frac{B}{C} \times D$$

A is the number of Offer Shares to be allocated to the relevant member in the iteration

B is the number of shares held by the Shareholder (excluding any Offer Shares which may already have been allocated to him)

C is the number of shares held by all Qualifying Shareholders or after the first iteration, those Qualifying Shareholders who applied for shares in the previous iteration

D is the number of Offer Shares or, after the first iteration, the number of Offer Shares remaining unallocated by previous iterations

If, in any iteration, a member would be allocated all or more than all of the Offer Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that member. That member will cease to take part in any further iterations and the excess Offer Shares will be available for allocation in the next iteration

13.5 The Company shall notify each member who applied for Offer Shares of the number of Offer Shares that have been allocated to him and the other persons to whom the Offer Shares have been allocated and upon receipt from such person of the appropriate subscription price for such Offer Shares, that person will be allotted the Offer Shares allocated to him

13 6 Any Shares which are not allocated to members pursuant to Article 10 shall be at the disposal of the Directors who may (within the period of 3 months from the expiry of the invitation made under Article 13 1) allot, grant options over or otherwise dispose of those Shares to any person and on any terms, but the price per share and other terms offered to such a person cannot be more favourable than the price and terms offered to the members

13 7 Article 13 1 will also apply (with the necessary changes) to the grant of any right to subscribe for Shares of any class

13 8 In accordance with section 567 of the Companies Act 2006, all the requirements of sections 561 and 562 of the Companies Act 2006 are excluded generally in relation to the allotment by the Company of equity securities (as defined in section 560(1) of the Companies Act 2006)

14 Transfers of shares: general

14 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share

14 2 Unless otherwise agreed between the transferor and transferee, the transferor of a Share shall be entitled to retain or receive any dividend or distribution declared or paid in respect of such Share prior to the date of transfer

14 3 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles The Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent

14 4 Any Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice

14 5 On the death of a Shareholder, neither a request to register any personal representative(s) as the holder(s) of the shares of the deceased or a transfer by the personal representative(s) of the shares of the deceased to a person entitled under the Will of the deceased or applicable laws of inheritance shall be treated as a transfer requiring the procedure in article 16 to be followed However, the directors need not enter any person(s) in the register of members of the Company as the holder(s) of the shares of the deceased until after the conclusion or lapse of the compulsory transfer process initiated under article 18 1

15 Permitted Transfers

15 1 Subject to article 15 2, shares may be freely transferred (at any price), without the need for the procedure in article 16 to be followed in the following cases

15 1 1 a holder of A ordinary shares may transfer A ordinary shares to one or more other holders of A ordinary shares, and

15 1 2 a holder of B ordinary shares may transfer B ordinary shares to one or more other holders of B ordinary shares

15 2 Shares which are the subject of a Transfer Notice or a Deemed Transfer Notice may not be transferred in accordance with this article 15 unless and until the said notice lapses

16 Pre-emption rights on the transfer of Ordinary Shares

16 1 Subject to article 15, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 16

- 16 2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying
- 16 2 1 the number of Shares he wishes to transfer (**Sale Shares**),
 - 16 2 2 the name of the proposed transferee, if any,
 - 16 2 3 the price per share at which he wishes to transfer the Sale Shares, and
 - 16 2 4 whether the Transfer Notice is conditional upon all of the Sale Shares being sold (**Minimum Transfer Condition**)
- 16 3 The following rules apply to Transfer Notices
- 16 3 1 each Transfer Notice can only apply to a single class of shares,
 - 16 3 2 for so long as all of the shares in each class are held by one person, any Transfer Notice served shall be invalid if it does not relate to all of the issued shares in the class in question unless the holder(s) of a majority of the other class of shares agree otherwise in signed writing, and
 - 16 3 3 a Transfer Notice will be deemed to include a Minimum Transfer Condition unless otherwise stated
- 16 4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price. References to a Transfer Notice in these Articles include a reference to a Deemed Transfer Notice
- 16 5 The Company shall have the option, exercisable within the period of 6 calendar months of determination of the Transfer Price and subject to the 2006 Act, to purchase from the Seller all or some (subject to any Minimum Transfer Condition) of the Sale Shares at the Transfer Price, whereupon the Seller shall be bound to transfer the Sale Shares or such of the Sale Shares as the Company shall determine to purchase as aforesaid. Where a Minimum Transfer Condition applies to the Transfer Notice and the Company does not wish to purchase all of the Sale Shares, the remaining shares shall be offered to the Continuing Shareholder(s) in accordance with the following provisions of this article 16 (and references to 'Sale Shares' therein shall mean the remaining Sale Shares which are available) and the buyback of shares by the Company shall be completed upon completion of the share transfers, assuming that all of the remaining shares are allocated. If the Minimum Transfer Condition is not met, the Seller shall not be obliged to sell any of his shares to the Company or the Continuing Shareholder(s). The Seller shall be bound to exercise all voting rights and other powers of control available to him in relation to the Company in order for the Company to comply with the 2006 Act and to transfer the Sale Shares, or such of the Sale Shares as the Company shall determine to purchase as aforesaid, to the Company at the time and place (in North East England) specified in writing by the Continuing Shareholder (which shall be no more than 10 Business Days after exercise of the option or, if later, the date on which any applicable Minimum Transfer Condition is satisfied). If the Seller fails to exercise such rights or other powers of control to transfer the Sale Shares, or such of the Sale Shares as are applied for, the Continuing Shareholder(s) shall be deemed to have been appointed agent of the Seller with full power to execute, complete and deliver, in the name and on behalf of the Seller, any document necessary in respect of such exercise or transfer. The Company may only exercise its option under this article 16 5 by service of a written notice on the Seller within the time period set out above
- 16 6 If the Company does not purchase all of the Sales Shares within the period set out in article 16 5, the Directors shall within a further one month offer the remaining Sale Shares for sale to the Continuing Shareholder(s) in the manner set out in the remaining provisions of this article 16 at the Transfer Price. The offer shall be in writing and give details of the number and the Transfer Price of the Sale Shares offered

- 16 7 The Directors shall offer the Sale Shares to the Continuing Shareholder(s), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the Offer Period) for the maximum number of Sale Shares they wish to purchase
- 16 8
- 16 8 1 If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares amongst the Shareholders who have applied for them pro rata in accordance with the proportion of the shares of the class not covered by the Transfer Notice held by them, save that no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy
- 16 7 2 If, following allocations in accordance with article 16 8 1, not all Sale Shares have been allocated but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 16 8 1 The procedure set out in this article 16 8 2 shall be repeated until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied
- 16 7 3 If, at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications
- 16 9 Where a Minimum Transfer Condition applies to the Transfer Notice and the total number of shares applied for under article 16 7 is less than the number of Sale Shares, the Directors shall notify the Seller and the Continuing Shareholder(s) that the Minimum Transfer Condition has not been met and that the Transfer Notice has lapsed with immediate effect
- 16 10 Where a Minimum Transfer Condition does not apply to the Transfer Notice, or allocations have been made in respect of all the Sale Shares, the Directors shall give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (each an **Applicant**) The Allocation Notice shall specify the number of Sale Shares allocated and the place and time for completion of the transfer of the Sale Shares (which shall be not more than 10 Business Days, after the date of the Allocation Notice)
- 16 11 On the date specified for completion in the Allocation Notice, the Seller shall, against payment of the Transfer Price from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice
- 16 12 If the Seller fails to comply with article 16 11
- 16 12 1 the Director appointed by the Continuing Shareholder(s) may, as agent on behalf of the Seller
- 16 12 1 1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Share to the Applicant(s),
- 16 12 1 2 receive the Transfer price and give a good discharge for it, and
- 16 12 1 3 (subject to the transfer being duly stamped) enter the Applicant(s) in a register of Shareholders as the holder of the Shares purchased by them, and
- 16 12 2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares to the Company)

16 13 Where no Minimum Transfer Condition applies to a Transfer Notice and not all of the Sale Shares are purchased in accordance with this article 16, the remaining Sale Shares or any part of them may be transferred to one or more external buyers during the period of three calendar months following the expiry of the last option period. Where a Transfer Notice includes (or is deemed to include) a Minimum Transfer Condition which is not satisfied, the Seller may transfer all (but not part of) the Sale Shares to any one external buyer during the period of three calendar months following expiry of the last option period. In each case, the purchase price shall not be less than the Transfer Price.

16 14 Fractional entitlements shall be dealt with as the Continuing Shareholders may agree or in default of agreement, by sub-division of the Sale Shares.

17 Transfer price

17 1 The Transfer Price for each Sale Share the subject of a Transfer Notice shall be such price as is agreed upon by the Seller and a majority (by number of shares held) of the Continuing Shareholder(s) and in default of agreement, the Fair Value.

17 2 The **Fair Value** of a Sale Share shall be such amount per share as the Expert shall certify in writing to be the market value of the Sale Share calculated on the basis of a sale between a willing seller and a willing buyer on arm's length terms without applying any discount or premium to a minority or majority shareholding.

18 Compulsory transfers

18 1 A person entitled to an Ordinary Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) or the death of a Shareholder shall be deemed to have given a Transfer Notice in respect of that share.

18 2 The first Founder who is removed from office as a director (howsoever arising) or resigns from office as a director of the Company or who commits any serious breach of any non-compete, non-solicitation or non-dealing covenant given for the benefit of the Company and/or its shareholders shall be deemed to have given a Transfer Notice in relation to all of his Shares on the date his removal, resignation or breach occurs (or if later, the date on which this comes to the attention of the other Founder).

18 3 Deemed Transfer Notices shall include a Minimum Transfer Condition.

19 Purchase of own Shares

19 1 The Company shall be authorised to purchase its own shares under any procedure permitted by the Act.

19 2 Without prejudice to the generality of article 19 1, the Company may purchase its own shares with cash in accordance with section 692(1) of the Act up to any amount in a financial year not exceeding the lower of

19 2 1 £15,000, and

19 2 2 the value of 5% of the Company's share capital.

DECISION-MAKING BY SHAREHOLDERS

20 General Meetings

20 1 Subject to any other provisions in these Articles concerning voting rights, each Ordinary Share in the Company shall carry the right to receive notice of and to attend, speak and vote (on the basis of one vote per share) at all general meetings of the Company.

- 20 2 Section 318 of the Act shall apply to the Company save that the quorum shall be one at any general meeting held at a time when one Shareholder holds a majority of the Ordinary Shares provided that Shareholder is present in person or by proxy and shall also be reduced as specified in Article 19 3
- 20 3 The Chairman shall be the chairman at general meetings
- 20 4 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article
- 20 5 Model article 45(1) shall be amended by
- 20 5 1 The deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate", and
- 20 5 2 The insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that model article

WINDING UP

21 Option to Wind Up

If, within 12 months of the Adoption Date, David Newton resigns or is removed from office as a director (howsoever arising but excluding situations in which he is deemed to have resigned under article 5 5 6 or 5 5 7 or if he dies) (**Trigger Events** and **Trigger Event** shall mean any of the Trigger Events), the A Director shall be entitled (but not compelled) at any time during the 3 months following the date of the Trigger Event to call a meeting for the purpose of passing a special resolution to wind up the Company. Such meeting shall be quorate notwithstanding that only one Shareholder may be present and the A ordinary shares shall carry three votes per share in relation to the resolution to wind up. The A Director shall be further empowered to take all steps necessary to effect the winding up of the Company, including without limit convening a creditors' meeting. If a Trigger Event occurs in relation to Peter Gostling, the B Director shall have the same rights in relation to the winding up of the Company as are set out above (subject to the same restrictions) and the B ordinary shares shall carry three votes per share in relation to any general meeting convened in accordance with this article.

ADMINISTRATIVE ARRANGEMENTS

22 Notices

- 22 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- 22 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted,
- 22 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 22 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 22 1 4 if sent or supplied by means of a website, 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

For the purposes of this article 22 1, no account shall be taken of any part of a day that is not a Business Day

22 2 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 delivered to an address permitted for the purpose by the Act

22 3 Each Director and Shareholder irrevocably consents to receive documents electronically from the Company and any Director at the email address he ordinarily uses in connection with the Company or at such other email address as he may nominate for the purpose from time to time

23 Indemnity and insurance

23 1 Subject to article 23 2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

23 1 1 each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of her duties, or in relation thereto including any liability incurred by her in defending any civil or criminal proceedings, in which judgment is given in her favour or in which she is acquitted, or the proceedings are otherwise disposed of without any funding or admission of any material breach of duty on her part, or in connection with any application in which the court grants her, in her capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs, and

23 1 2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by her in connection with any proceedings or application referred to in article 21 1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure

23 2 This article 23 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

23 3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss

23 4 In this article 23

23 4 1 **Relevant Loss** means 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 (or other Group Company) or any pension fund of the Company (or other Group Company), and

23 4 2 **Relevant Officer** means any director or other officer or former director or other officer of any Group Company