

A4. Filing copy of shareholder resolution

Company number: SC300618

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
COPY OF WRITTEN RESOLUTION

of

TAG GAMES LIMITED

("Company")

PASSED ON 22/2/ 2019



In accordance with the written resolution procedure in chapter 2 of part 13 of the Companies Act 2006, the following resolutions were duly passed on 22/2/ 2019 as special resolutions and an ordinary resolution as indicated below:

SPECIAL RESOLUTIONS

1. **Whereas:**
 - 1.1 by written resolution dated 13 September 2007, the authorised capital of the Company was subdivided from 100 ordinary shares of £1.00 each to 10,000 ordinary shares of £0.01 each and thereafter increased by £36.16 to £136.16 divided into 13,616 ordinary shares of £0.01 each; and
 - 1.2 on 28 February 2011:
 - 1.2.1 the Company's issued capital was £136.16 divided into 13,616 ordinary shares of £0.01 each; and
 - 1.2.2 the Company allotted and issued 739 new ordinary shares of £0.01 (the "2011 Allotment"); and
 - 1.3 on 5 May 2015:
 - 1.3.1 the Company's issued share capital was £143.55 divided into 14,355 ordinary shares of £0.01 each; and
 - 1.3.2 the Company allotted and issued 142 new ordinary shares of £0.01 each (the "2015 Allotment"); and
 - 1.4 on 4 December 2014 the Company repurchased and cancelled 2,308 ordinary shares of £0.01; and
 - 1.5 on 30 September 2016:
 - 1.5.1 the Company's issued share capital was £121.89 divided into 12,189 ordinary shares of £0.01 each; and

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- 1.5.2 the Company allotted and issued 38 new ordinary shares of £0.01 each (the "2016 Allotment");
- 1.6 at the time of the 2011 Allotment, the 2015 Allotment and the 2017 Allotment, the directors were not authorised to allot shares in the capital of the Company and, as a result of the 2011 Allotment and the 2015 Allotment, the amount of the Company's issued capital following such allotments exceeded the amount of its authorised capital by the sum of £7.39 and £8.81 respectively,
- 1.7 It is now resolved that,
- 1.7.1 the allotment by the directors of (i) the 739 ordinary shares of £0.01 in the capital of the Company pursuant to the 2011 Allotment, (ii) the 142 ordinary shares of £0.01 in the capital of the Company pursuant to the 2015 Allotment and (iii) the 38 ordinary shares of £0.01 in the capital of the Company pursuant to the 2016 Allotment, be and are hereby ratified and approved for all purposes; and
- 1.7.2 with effect from 28 February 2011, the amount of the Company's authorised capital be and hereby is increased from £136.16 divided into 13,616 ordinary shares of £0.01 each to £144.97 divided into 14,497 ordinary shares of £0.01 each.
2. That, the articles of association of the Company be amended by:
- 2.1 deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Act, are treated as provisions of the articles of association of the Company; and
- 2.2 deleting the provision which, by virtue of paragraph 42(2) of Schedule 2 to the Companies Act 2006 (Commencement No 8, Transitional Provisions and Savings) Order 2008, is treated as a provision of the articles of association of the Company setting the maximum amount of shares that may be allotted by the Company.
3. That, the articles of association in the form attached be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

ORDINARY RESOLUTION

4. That, subject to the passing of resolutions 2 and 3, the directors shall have the powers given by section 550 of the Act.



Director for and on behalf of Tag Games Limited

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

of

TAG GAMES LIMITED

(adopted by Written Resolution passed on 22/2/ 2019)

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THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
TAG GAMES LIMITED

1 INTERPRETATION

1.1 Definitions

In these Articles:-

"the Act" means the Companies Act 1985;

"Articles" means these articles of association;

"Bad Leaver" shall mean an Employee Shareholder who ceases to be a director or employee of the Company or any of its subsidiaries and does not continue as either a director or employee in relation to any of them where such cessation occurs in circumstances where the Employee Member is guilty of any material breach of contract or fraud or dishonesty or gross negligence; or where such cessation is voluntary and is followed by the person in question taking up employment with, or undertaking the provision of services to, a competitor of the Company within 12 months of the date of such cessation;

"Beneficial Shareholder" means the person beneficially entitled to shares held by a nominee or bare trustee on his behalf;

"Board" means the board of Directors of the Company;

"Company" includes any body corporate;

"Compulsory Relevant Event" means:-

(1) in relation to a person being an individual:

- (a) such person being declared bankrupt; or
- (b) an Employee Shareholder ceasing to be an Employee; or
- (c) such person or Employee Shareholder referred to in (a) and (b) respectively or his Representative thereafter acquiring shares pursuant to a right or interest obtained by such person while an Employee or prior to being adjudicated bankrupt as the case may be;

(2) in relation to a person being a body corporate:

- (a) a receiver, judicial factor, administrative receiver or administrator being appointed of such person or over all or any part of its undertaking or assets or such person entering into liquidation (other than a voluntary liquidation for the purpose of a *bona fide* scheme of solvent amalgamation or reconstruction) or an analogous event to

the foregoing occurring in relation to a body corporate incorporated other than in Scotland; or

- (b) such person referred to in (2)(a) or the liquidator, receiver, manager, administrative receiver, administrator or other representative thereof acquiring shares pursuant to a right or interest obtained by such person prior to any such event;
- (3) in relation to a person being a body corporate such person ceasing to be a subsidiary of the ultimate holding company of which it was a wholly owned subsidiary at the later of the date of the adoption of these Articles and the date it became a member of the Company (unless the shares held by such person are thereupon transferred to a Member of the Same Group as such ultimate holding company at the said date any such transfer being deemed to be authorised for the purposes of Article 8);

"Concert Party" means any person or group of persons who act in concert within the meaning of the City Code on Takeovers and Mergers or would be so acting in concert if the City Code on Takeovers and Mergers applied in the relevant case;

"Connected Person" means any person with which any relevant person is connected (as determined in accordance with the provisions of section 839 of the Income and Corporation Taxes Act 1988 or section 993 of the Income Tax Act 2007 as appropriate);

"Controlling Interest" means shares (or the beneficial interest in shares) which confer in aggregate on the holders thereof 50 per cent or more of the total voting rights conferred by all the shares in issue at the relevant time and conferring the right to vote at all general meetings of the Company;

"Deemed Transfer Notice" means a Transfer Notice deemed to be given under any provision of these Articles;

"Director" means a director of the Company;

"Employee" means an employee of the Company or any of its Subsidiaries including an executive director;

"Employee Shareholder" means a person who is a Shareholder and is or has been a director and/or an employee of any member of the Group and shall for the avoidance of doubt include the Directors;

"Group" means the Company and any subsidiary thereof;

"Member of the Same Group" means, in relation to any company, a company which is for the time being the ultimate holding company of which such company is a subsidiary or a wholly-owned subsidiary of any such holding company;

"Ordinary Shares" means ordinary shares of £0.01 in the capital of the Company;

"Ordinary Shareholder" means a holder of Ordinary Shares;

"Privileged Relation" means, as regards any individual member or deceased or former individual member, the spouse, the civil partner or the widower or widow of the individual, the parents of the individual and all the lineal descendants of the individual and for such purposes a stepchild or adopted child or illegitimate child of any person shall be deemed to be a lineal descendant of such person;

"Relevant Person" shall mean a person subject to a Compulsory Relevant Event and shall in addition, include a reference to the Beneficial Shareholder in the case of

shares held by a nominee or bare trustee for such Beneficial Shareholder where the Beneficial Shareholder is subject to a Compulsory Relevant Event and to the Shareholder or former Shareholder in the case of shares transferred by such person to a Privileged Relation;

"Representative" means, in relation to a member, any person or persons who have become entitled to shares in consequence of his death, bankruptcy or mental incapacity;

"Resignation" means a resignation (other than where the same is a constructive dismissal) of an Employee other than due to illness, disability or other incapacity and excluding Retirement or being a Bad Leaver;

"Retirement" means the retirement of an Employee at or after the normal retirement age of the Company or the relevant Subsidiary as determined by the directors;

"Shareholder" means a holder of shares in the Company;

"Shareholder Majority" means the holders of not less than 75 per cent in nominal value of the Ordinary Shares;

"Shareholder Majority Consent" means the consent or approval in writing by or on behalf of a Shareholder Majority;

"Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985;

"Termination Date" means:

- (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires; or
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served; or
- (c) where an Employee Shareholder dies, the date of his death; or
- (d) where the Employee Shareholder concerned is a Director but not an employee, the date on which his contract for services with the Company is terminated; or
- (e) in any other case, the date on which the contract of employment is terminated;

"Transfer Notice" has the meaning set out in Article 9.1.

1.2 Same meanings as in the Act

Save as provided in Article 1.1 and unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act.

1.3 Articles and Regulations

In these Articles a reference to an Article is to a clause of these Articles and a reference to a Regulation is to a regulation in Table A.

2 TABLE A

The regulations contained in Table A shall apply to the Company save insofar as they are varied or excluded by or are inconsistent with these Articles. Regulations 40, 50, 53, 54, 64 to 69 (inclusive), 73 to 81 (inclusive), 89, 93, to 98 (inclusive), 101 to 103 (inclusive) and 118 shall not apply to the Company.

3 SHARE CAPITAL

3.1 Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the company may by ordinary resolution determine.

3.2 The liability of the members is limited.

4 CAPITAL AND INCOME

4.1 Capital

On a return of assets (whether on a winding-up of the Company or otherwise), the assets of the Company remaining after the payment of all of its liabilities shall be distributed amongst the holders of the Ordinary Shares according to the amounts paid up or credited as paid up on the shares held by them respectively

4.2 Income

For the avoidance of doubt there shall be no automatic right to receive dividends attaching to any shares, even if the Company has profits available for distribution. However, if dividends are intended to be paid, the Directors' discretion in declaring same shall be exercised taking account of the best interests of the Company as a whole and in any event shall be subject to Shareholder Majority Consent being given to the Directors' decision to declare and pay any such dividends. In any event, every dividend shall be distributed to the holders of the Ordinary Shares *pro rata* according to the amounts paid up or credited as paid up on the shares held by them respectively ignoring, for the avoidance of doubt, any premium paid on subscription, on the last date of the relevant accounting period and shall accrue on a daily basis.

5 ISSUE OF SHARES

5.1 Unless the Company with Shareholder Majority Consent otherwise agrees, all shares to be issued shall first be offered to all Shareholders *pro rata* as nearly as may be in proportion to the existing numbers of shares held by such Shareholders, giving details of the number and the price of such shares. Any such offer of shares shall be open for acceptance for not less than 21 days from the date of despatch. Any shares not accepted in that period shall be at the disposal of the Directors who may (within the period of three months from the end of that period) allot, grant options over or otherwise dispose of the same to such persons at a price per share and on terms not less than that at which the same were offered to such Shareholders, and otherwise on such terms as they think proper.

5.2 Section 89 of the Act will not apply to the Company.

5.3 Special resolution

In Regulation 2 the words "ordinary resolution" shall be omitted and the words "special resolution" shall be substituted for them.

6 LIEN AND FORFEITURE

6.1 Lien to attach to all shares

In Regulation 6 the words "(not being a fully paid share)" shall be omitted. The lien conferred by Regulation 6 shall attach to all shares registered in the name of any person indebted or under liability to the Company (or in the name of the nominee or bare trustee for any such person) whether he is the sole registered holder thereof or one of two or more joint holders and shall include a lien in respect of any such indebtedness or liability. Regulation 6 shall be modified accordingly.

6.2 Pre-emption on enforcement

All shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 8 as if they were unissued shares of the Company. Regulations 7 and 20 shall be modified accordingly.

7 GENERAL PROVISIONS CONCERNING TRANSFERS OF SHARES

7.1 General restriction on transfer

The right to transfer shares in the Company shall be subject to the rights and restrictions set out in Articles 7 to 11 inclusive and no share or any interest therein shall be transferred to or become vested in any person otherwise than in accordance with such provisions.

8 PERMITTED TRANSFERS

8.1 Permitted transfers to relations

Any Shareholder may at any time transfer all or any shares held by him to a Privileged Relation.

8.2 Mandatory transfer on change of control

If any member ceases to be within the control (as such term is defined by section 840 Income and Corporation Taxes Act 1988 or section 995 of the Income Tax Act 2007 as appropriate) of the person(s) who controlled such company on the date on which it became a member of the Company or on the date of adoption of these articles (whichever shall be the later) it shall be deemed to have immediately given a Transfer Notice in respect of all the shares as shall then be registered in its name.

9 PRE-EMPTION RIGHTS

9.1 Transfer Notice

Before transferring any shares, otherwise than in accordance with Article 8, the person proposing to transfer the same (the "**Proposing Transferor**") shall give notice in writing ("**Transfer Notice**") to the Company that he proposes to transfer such shares (the "**Sale Shares**") and, in the event that the Proposing Transferor shall have reached an agreement or an arrangement with a third party for the sale of the Sale Shares to such third party, the Proposing Transferor shall state in the Transfer Notice the name of such third party, the price per share at which the Sale Shares are to be sold to such third party and all other material terms of the proposed transfer. The Transfer Notice shall constitute the Company (by the Board) his agent for the transfer of the Sale Shares at the Prescribed Price referred to below and during the period expiring three months after the giving of the Transfer Notice or ten weeks after the agreeing or determination of the Prescribed Price, whichever shall be the later, (the "**Prescribed Period**") in accordance with the following provisions of this Article. Save as hereafter provided, a Transfer Notice once given or required

to be given or deemed to have been given shall not be revocable. A Transfer Notice (other than a Transfer Notice required to be given or deemed to have been given pursuant to these Articles) may contain a provision that unless all or a specified number of the Sale Shares are sold by the Company within the Prescribed Period pursuant to this Article the Transfer Notice shall be withdrawn and any such provision shall be binding on the Company.

9.2 Offer of Sale Shares

The Sale Shares shall, within 14 days of the date the Transfer Notice is received by the Company or is deemed to have been given or within seven days after the Prescribed Price shall have been agreed or determined as hereinafter provided, whichever shall be the later, be offered by the Company in writing for purchase at the Prescribed Price.

Such offer shall first be made to all the other Ordinary Shareholders *pro rata* to their shareholding.

To the extent that such offers are not accepted in whole or in part the remaining Sale Shares shall thereafter be offered by the Company at the Prescribed Price within seven days of the closing of the initial offer to such shareholders that have accepted the initial offer *pro rata* to their shareholdings.

Each such offer shall specify a time (not being less than 21 days in the case of an initial offer and 14 days in the case of a subsequent offer) within which it must be accepted failing which it will lapse. In the case of competition in respect of any such offer the Sale Shares so offered shall be allocated to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holding of the relevant class or classes of shares.

9.3 Notification of Purchasers

If the Board shall within the Prescribed Period find members (each such person called a “**Purchaser**”) to purchase the Sale Shares or any of them and give notice in writing thereof to the Proposing Transferor he shall be bound, upon payment of the Prescribed Price, to transfer such of the Sale Shares to the respective Purchasers. If the Transfer Notice stated that the Proposing Transferor is not willing to transfer part only of the Sale Shares or less than a specified number of such Sale Shares, the obligation in this Article to transfer shall not apply unless the Board shall have found Purchasers for the whole of the Sale Shares or not less than such specified number. Every such notice from the Board shall state the name and address of the Purchaser concerned and the number of shares agreed to be purchased by him. The purchase shall be completed as soon as reasonably practicable at a place and time to be appointed by the Board when, against payment of the Prescribed Price and any relevant stamp duties, the Proposing Transferor shall deliver transfers in favour of the Purchasers together with the share certificates in respect of the relevant Sale Shares and the Purchasers shall be registered as the holders of the relevant Sale Shares in the register of members of the Company and share certificates in the names of such Purchasers and in respect of the relevant Sale Shares shall be delivered.

9.4 Failure to transfer

If in any case a Proposing Transferor, after having become bound to transfer any Shares to a Purchaser, shall make default in so doing or shall fail to deliver share certificates in respect thereof, the Board may authorise some person to execute and deliver on his behalf any necessary transfer in favour of the Purchaser and shall receive the purchase money and shall thereupon (subject to the transfer being duly stamped) cause the name of the Purchaser to be entered into the register of

members as the holder of the relevant shares. The Company shall hold the purchase money in trust for the Proposing Transferor but shall not be bound to earn or pay interest thereon. The receipt of the Company for the purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application thereof and after the name of the Purchaser has been entered in the register of members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

9.5 Purchasers not found for Sale Shares

If the Board shall not within the Prescribed Period find Purchasers willing to purchase all the Sale Shares (or any lesser number specified in the Transfer Notice for the purposes of Article 9.1) at the Prescribed Price or if the Directors shall within the Prescribed Period give to the Proposing Transferor notice in writing that the Board have no prospect of finding Purchasers, the Proposing Transferor at any time thereafter up to the expiry of six weeks after the Prescribed Period shall be at liberty (subject only to the provisions of Regulation 24) to transfer those Sale Shares for which the Company has not found (or has given notice that it has no prospect of finding) Purchasers to any person by way of a bona fide sale at any price not being less than the Prescribed Price (after deducting, where appropriate, any dividend or other distribution declared or made in respect of the Sale Shares after the giving of the Transfer Notice and to be retained by the Proposing Transferor) and otherwise on the terms set out in the Transfer Notice provided that:-

- 9.5.1 if the Transfer Notice shall state that the Proposing Transferor is not willing to transfer part only of the Sale Shares or less than a specified number of the Sale Shares he shall not be entitled to transfer any of such Sale Shares unless in aggregate the whole of such Sale Shares or, as relevant, not less than the specified number of such Sale Shares are so transferred;
- 9.5.2 the Board may require to be satisfied that the Sale Shares are being transferred pursuant to a *bona fide* sale upon the material terms and for the consideration stated in the transfer without any deduction, rebate or allowance whatsoever to the purchaser (other than in respect of any dividend or other distribution as referred to above) and if not so satisfied may refuse to register the instrument of transfer; and
- 9.5.3 the provisions of this Article 9.5 shall not apply in the case of a Deemed Transfer Notice.

9.6 Prescribed Price for Sale Shares (other than those to be transferred by Bad Leavers)

The expression "**Prescribed Price**" shall mean in respect of each Sale Share (other than those to be transferred by a Bad Leaver the prescribed price for which will be determined in accordance with Article 9.8) such sum per share as shall be agreed between the Proposing Transferor and the remaining Shareholders or, failing agreement, as shall be determined by an independent share valuation expert ("**Expert**") in accordance with Article 9.7.

9.7 Determination of Prescribed Price by Expert

- 9.7.1 The Expert shall be appointed by agreement between the parties who have failed to agree the Prescribed Price ("**the parties**") or, failing agreement within seven days as to such appointment, by the President for the time being of the Institute of Chartered Accountants of Scotland on the application of any of the parties. The Expert shall state in writing what is in his opinion the fair value of the Sale Shares as determined in accordance with this clause. In so stating his opinion the Expert shall be deemed to act as an expert and not as an arbitrator and, save in the case of fraud or

manifest error, his determination shall be final and binding on all concerned. For this purpose the Expert shall be given by the Board, all information which a prudent prospective purchaser might reasonably require if he were proposing to purchase the Sale Shares from a willing vendor by private treaty and at arm's length, together with such information as any member of the Company may wish to provide to him and such other information as he may reasonably require. The Expert shall be entitled to determine the procedure to be followed in arriving at his decision (in the absence of agreement by the parties) and to appoint legal or other advisers if appropriate. The costs involved in the Expert's determination of the Prescribed Price (including the Expert's expenses and the costs of any advisers to the Expert) shall, in the absence of any determination by the Expert, be borne as to one half by the Proposing Transferor and as to the other half by the Purchasers (and as between the Purchasers pro rata to the number of shares purchased).

9.7.2 The Expert must determine the Prescribed Price within 30 business days of his appointment and shall notify the Shareholders of his determination.

9.7.3 The Expert shall value the entire capital of the Company at its "fair value". For these purposes, "fair value" is, calculated by determining the value of the whole issued share capital of the Company between a willing buyer and a willing seller on a going concern basis and then fixing the value of the shares being sold as the same fraction of the proportion of the value of the whole Company as the number of shares being sold are of the total number of shares issued or under option in the capital of the Company, and on the assumption that the Sale Shares are capable of transfer without restriction and his decision as to Sale Price shall, in the absence of manifest error, be final and binding. For the avoidance of doubt in determining the "fair value" the value shall not be enhanced to reflect a majority shareholding or discounted to reflect a minority share holding.

9.8 **Prescribed Price for Shale Shares to be transferred by Bad Leavers**

The expression "**Prescribed Price**" shall mean in respect of each Sale Shares to be transferred by Bad Leavers the lower of (i) the subscription price paid for the Sale Shares and (ii) the price certified by the Independent Expert to be the fair value of the Sale Shares pursuant to article 9.7.

10 COMPULSORY TRANSFER

10.1 Deemed Transfer Notice - Compulsory Relevant Event

10.1.1 Subject to article 10.1.2, upon the happening of any Compulsory Relevant Event a Transfer Notice shall be deemed to have been immediately given in respect of all the shares as shall then be registered in the name of such Relevant Person or his Representatives or his or their nominee or bare trustee and in respect of all shares that such Relevant Person shall have transferred to a Privileged Relation and any additional shares issued to any such Privileged Relation by way of capitalisation, consolidation or sub-division or acquired by such person in exercise of any right or option granted or arising by virtue of the holding of the shares so transferred or any of them or the membership thereby conferred or any shares otherwise held by a Privileged Relation of such Relevant Person.

10.1.2. Upon the happening of any Compulsory Relevant Event in respect of an Employee Shareholder, the Board may at its complete discretion (entitling them to take account (or not) of all relevant circumstances) decide that a Transfer Notice deemed to have been immediately given in accordance with article 10.1.1 shall:

10.1.2.1 be disapplied to the extent and effect that all of the shares to which article 10.1.1 would otherwise have applied shall be retained by the relevant Employee Shareholder (or his Representative or nominee or trustee or Privileged Relation); or

10.1.2.2 apply in respect of such percentage of the shares to which article 10.1.1 would otherwise have applied as may be agreed by the Directors.

10.2 Bankruptcy

If the Compulsory Relevant Event shall be the bankruptcy of a Relevant Person and if any of the shares which are offered pursuant to the deemed Transfer Notice shall not be sold to the members ("Unsold Shares") then, after the expiration of the period during which the Unsold Shares might have been purchased by a member or members pursuant thereto, the Representatives of the Relevant Person in question shall be entitled to elect at any time before the shares are disposed of by them to be registered themselves as the holders of the Unsold Shares (but so that such election shall not give rise to any obligation to serve a Transfer Notice in respect of the Unsold Shares).

11 TAG ALONG AND DRAG ALONG RIGHTS

Tag along

11.1 No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered without Shareholder Majority Consent, if as a result of such sale or transfer and registration thereof, a Controlling Interest would be obtained in the Company by any person or group of persons acting in concert unless the proposed transferee or transferees or his or their nominees:-

11.1.1 are independent third parties acting in good faith; and

11.1.2 has or have offered to purchase all the Ordinary Shares for the time being in issued at the Specified Price.

In this sub-article the "**Specified Price**" means the consideration (in cash or otherwise) per share equal to that offered or paid or payable by the proposed transferee or his or their nominees for the shares being acquired; plus

the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable per share; plus

all arrears and accruals of the dividends on such shares calculated down to the date of the sale or transfer.

In the event of disagreement the calculation of the Specified Price shall be referred to an independent expert (as decided by a Shareholder Majority) whose decision shall be final and binding.

In any part of the Specified Price is to be paid except by cash then each holder of the Ordinary Shares may, at its option, elect to take a price per share of such cash sum as may be agreed by it and the proposed transferee having regard to the transaction as a whole.

Drag along

- 11.2 If 70% of the Shareholders, with reference to the numbers of shares held in the share capital of the Company (the **"Selling Shareholders"**) wish to transfer all their interest in shares in the Company (the **"Sellers' Shares"**) to a bona fide arms length purchaser (the **"Third Party Purchaser"**) the Selling Shareholders shall have the option (the **"Drag Along Option"**) to require all the other holders of shares in the Company (the **"Called Shareholders"**) to sell and transfer all their shares to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of this article.
- 11.3 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a **"Drag Along Notice"**) at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their shares (the **"Called Shares"**) pursuant to this article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this article) and the proposed date of transfer.
- 11.4 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 11.5 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be determined in the same way as the Specified Price under sub-article 11.1.
- 11.6 No Drag Along Notice may require a Called Shareholder to agree to any terms save those specifically provided for in this article.
- 11.7 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless:-
- 11.7.1 all of the Called Shareholders and the Selling Shareholders agree otherwise; or
- 11.7.2 that date is less than 3 days after the Drag Along Notice where it shall be deferred until the third day after the Drag Along Notice.

- 11.8 The rights of pre-emption set out in these articles shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served.
- 11.9 If any Shareholder does not on completion of the sale of Called Shares execute transfer(s) in respect of all the Called Shares held by that Shareholder the defaulting Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as they may direct) and the Board shall forthwith register the Third Party Purchaser (or as they may direct) as the holder thereof. After the Third Party Purchaser (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of shares under this sub-article that no share certificate has been produced.

Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (a "**New Member**"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by them to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this article shall apply *mutatis mutandis* to the New Member save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member.

12 PROCEEDINGS AT GENERAL MEETINGS

12.1 Quorum

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporate member, shall be a quorum. If at any adjourned meeting which has been so adjourned pursuant to Regulation 41 a quorum is not present within half an hour of the time appointed for the adjourned meeting the meeting will be dissolved. Regulation 41 shall be construed accordingly.

12.2 Poll

A poll may be demanded at any general meeting by the Chairman or any member or members present in person or by proxy or by a duly authorised representative of a corporate member in each case representing not less than 5% of the total voting rights of all the members having the right to vote at the meeting. Regulation 46 shall be modified accordingly.

12.3 Written resolutions

A resolution executed or approved in writing by or on behalf of the holders of the whole of the issued shares entitled to vote thereon shall be as valid and effective for all purposes as a resolution passed at a general meeting duly convened and held and may consist of several documents in the like form, each executed by or on behalf of one or more persons. In the case of a corporation the resolution may be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

13 VOTES OF MEMBERS

Subject to any special rights, privileges or restrictions as to voting attached to any shares, at any general meeting on a show of hands every member who (being an individual) is present in person or by proxy (not being himself a member) or (being a corporation) is present by proxy or by a representative not being himself a member shall have one vote, and in the case of a poll every member present in person, by representative or by proxy shall have one vote for every share of which he is the holder.

14 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors shall be not more than six nor less than two.

15 APPOINTMENT OF DIRECTORS

15.1 The Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.

15.2 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the articles as the maximum number of Directors.

16 DIRECTORS NOT TO ROTATE

The Directors shall not be liable to retire by rotation and accordingly in Regulation 79 the second and third sentences thereof shall be deleted and in Regulation 78 the words "and may also determine the rotation in which any additional directors are to retire" shall be deleted.

17 ALTERNATE DIRECTORS

Appointment and removal

Any Director (other than an alternate Director) may from time to time appoint any other Director or any person approved by the Board (such approval not to be unreasonably withheld or delayed) to be an alternate Director of the Company and may at any time remove from office any alternate Director so appointed by him and appoint another person approved as aforesaid in his place. Any appointment of an alternate Director may provide for two or more persons in the alternative to act as an alternate Director.

18 NO SHARE QUALIFICATION

A Director and alternate director shall not require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares of the Company.

19 DIRECTORS' INTERESTS

A Director (including an alternate Director) who has duly declared his interest therein to the Board pursuant to section 317 of the Act may vote as a director in regard to any contract or arrangement in which he is interested or upon any matter arising therefrom, and if he so votes his vote shall be counted, and he shall be counted in the quorum when any such contract or arrangement is under consideration.

20 PROCEEDINGS OF DIRECTORS

20.1 Quorum

The quorum necessary for the transaction of the business of the Board shall be two Directors. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

20.2 Meetings in United Kingdom

Meetings of the Board shall not without Shareholder Majority Consent be held outside the United Kingdom.

20.3 Regulation of meetings

Meetings of the Board shall be held at least every calendar month and a minimum of seven days' notice of meetings of the Board accompanied by an agenda of the business to be transacted shall be given to all the Directors. Subject as aforesaid, the Directors may adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. A Director may, and the secretary on the requisition of a Director shall, at any time summon a meeting of the Board.

20.4 Written resolutions

A resolution executed or approved in writing by all the Directors shall be as valid and effective for all purposes as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors. A resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.

20.5 Delegation to committees

The Board shall not delegate any of its powers to a committee or committees.

20.6 Meetings by conference facilities

A meeting of the Directors may consist of a conference between Directors some or all of whom are in different places provided that each Director who participates in the meeting is able:-

20.6.1 to hear each of the other participating Directors addressing the meeting; and

20.6.2 if he so wishes, to address each of the other participating Directors simultaneously, whether directly, by conference telephone or by any other form of communication equipment (whether in use when this Article is adopted or developed subsequently) or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number and designation of Directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of Directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates at the start of the meeting. Any Director may, by prior notice to the Secretary, indicate that he wishes to participate in the meeting in such manner, in which event, the Directors shall procure that an appropriate conference facility is arranged.

20.7 Notices

It shall be necessary to give notice of every meeting of the Board to every Director.

21 INDEMNITY

- 21.1 Every Director or other officer of the Company shall be entitled, if determined by the Directors and to the extent so determined by the Directors, to be indemnified out of the assets of the Company to the fullest extent permitted by sections 309A and 309B of the Act against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 144 (3) or (4) or section 727 of the Act in which relief is granted to him by the court (the Company being authorised to enter into a loan arrangement with the Director or other officer but only on terms that comply in full with section 337 of the Act to enable that Director or other officer to meet any liability incurred in defending such proceedings or making such application for relief as that liability is incurred), and such indemnity shall extend (if so determined) to former directors and other officers of the Company.
- 21.2 The Directors shall have power in accordance with section 309A(5) of the Act to purchase and maintain for any director or other officer of the Company insurance against any such liability as is referred to in section 309A of the Act.
- 21.3 This Article 21 shall only have effect to the extent that its provisions are not avoided by section 309A and 309B of the Act.