

1. **Deadlock**

1.1 In the event that the Issuing Shareholder is unable to come to an agreement with the Receiving Shareholder on any issue which prevents the Issuing Shareholder from properly carrying on the Business and such deadlock is not resolved within 30 days of its arising at a General Meeting, the Issuing Shareholder shall be said to have been reached.

1.2 When a Deadlock has arisen, the Issuing Shareholder may issue (the "Issuing Shareholder") to the Receiving Shareholder (the "Receiving Shareholder") a notice (the "Deadlock Notice") outlining their position and the subject of the deadlock and

EITHER

[The Issuing Shareholder shall clearly state in the Deadlock Notice their valuation of the Company (the "Valuation Price"). The Receiving Shareholder shall either purchase all of the Issuing Shareholder's Shares at the Valuation Price, or sell all of his own Shares to the Issuing Shareholder at the Valuation Price.]

OR

[Upon receipt of the Deadlock Notice, the Shareholders shall use all reasonable endeavours to resolve the deadlock within 30 days of the date on which the Deadlock Notice was received.]

1.3 [If no agreement is reached within 10 days of the date on which the Deadlock Notice was received, the deadlock shall be resolved by

EITHER

[allowing the current holder to exercise a casting vote on the issue]

OR

[the Parties appoint an independent arbitrator to decide the issue, with all the costs of the arbitration to be borne equally.]

OR

[a transfer of Shares to the other. The Issuing Shareholders shall appoint an independent "Umpire" to whom they shall submit bids for the purchase of the Shares. The Umpire shall open the bids and the Shareholder who has tendered the highest bid representing the maximum amount they are willing to pay shall be the winning bidder. The Umpire shall open the bids and the Shareholder who has tendered the highest bid representing the maximum amount they are willing to pay shall be the winning bidder. The Umpire shall open the bids and the Shareholder who has tendered the highest bid representing the maximum amount they are willing to pay shall be the winning bidder.]

OR

[the immediate vote of the Issuing Shareholder on the issue.]