

## 1. **Deadlock**

- 1.1 In the event that the Shareholders are unable to come to an agreement on any issue which is necessary for the proper conduct of the Business and such agreement has not been reached within 30 days of its arising at a General Meeting, a "Deadlock" shall be said to have occurred.
- 1.2 When a Deadlock occurs, the Issuing Shareholder may issue (the "Issuing Shareholder") to the Receiving Shareholder (the "Receiving Shareholder") a notice (the "Deadlock Notice") outlining their position. Upon receipt of such Deadlock Notice the Shareholders shall make reasonable endeavours to come to an agreement.
- 1.3 If no agreement has been reached within 10 days of the date on which the Deadlock Notice was issued, the Shareholders shall agree within a further 10 days upon one of the following methods by which the dispute shall be resolved:
- 1.3.1 The Chair of the Meeting shall cast the deciding vote on the issue;
- 1.3.2 An Arbitrator shall be appointed to decide the issue with all the costs of the Arbitration to be met by the Shareholders to be met by the Issuing Shareholder.
- 1.3.3 The Shareholders shall appoint an independent "Umpire" to whom they shall submit the dispute. The Umpire shall, e.g. 30 >> days of the date on which the Deadlock under this Clause was agreed a >> representing the maximum amount they are willing to pay for the issue. The Umpire shall open a bidding process in which the Issuing Shareholder has tendered the highest bid and the Receiving Shareholder has tendered the lowest bidding bid and the lowest bidding bid shall be awarded to the winning Shareholder; or
- 1.3.4 The Company shall be wound up under the voluntary winding up provisions of the Companies Act 2006.
- 1.4 In the event that the Shareholders are unable to agree pursuant to Sub-clause 1.3 above, the deadlock shall be resolved by the immediate voluntary winding up of the Company.