

THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

VITECH SCIENTIFIC LTD

(Company Number: 01830061)

On *22 June* 2014 the following special resolution was passed by the Company in accordance with Chapter 2 of Part 13 of the Companies Act 2006

SPECIAL RESOLUTION

**THAT** the existing articles of association of the Company be replaced in their entirety with the articles of association annexed to this resolution at Annex A

*John Coughlin*  
Director



**Company no: 01830061**

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

---

**ARTICLES OF ASSOCIATION**  
**OF**  
**VITECH SCIENTIFIC LTD**

---

**K&L Gates LLP**  
One New Change London EC4M 9AF  
Tel +44 (0)20 7648 9000  
Fax +44 (0)20 7648 9001  
Ref JRD/5503601 00031

Company no: 01830061

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**VITECH SCIENTIFIC LTD**

*(adopted by written special resolution passed on 20th June 2014)*

**PRELIMINARY**

**1 Interpretation**

1 1 In these articles, unless the context requires otherwise

"Act" means the Companies Act 2006,

"Holding Company" means a company which is the registered holder of not less than 90 per cent in nominal value of the issued shares of the Company giving the right to vote at general meetings of the Company on all, or substantially all, matters, and

"Model Articles" means the model articles of association for private companies limited by shares set out in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No 3229) as amended prior to the date of adoption of these articles and any reference in these articles to a Model Article by number is a reference to the relevant numbered article of the Model Articles

1 2 Unless the context requires otherwise, words and expressions which have particular meanings in the Model Articles have the same meaning in these articles Subject thereto and unless the context requires otherwise, words and expressions which have particular meanings in the Act have the same meaning in these articles

1 3 A reference in these articles to a statute or statutory provision is a reference to that statute or statutory provision as modified, re-enacted or consolidated from time to time and includes any subordinate legislation made from time to time under that statute or statutory provision

1 4 In these articles, unless the context otherwise requires

- (a) words in the singular include the plural and vice versa and words importing one gender include every gender,
  - (b) a reference to a person includes a body corporate and an unincorporated body of persons,
  - (c) words which follow the terms "**include(s)**", "**including**" or "**in particular**" or any similar term shall be construed as illustrative and shall not limit the sense or application of the words which precede those terms,
  - (d) a reference to a "**meeting**" is not to be taken as requiring more than one person to be present if any quorum requirement can be satisfied by one person, and
  - (e) references to an article by number are to the relevant numbered paragraph of these articles
- 1 5 The headings in these articles are for convenience only and shall not affect the interpretation of these articles
- 2 **Application of 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
- 2 2 Model Articles 7(2), 11(2), 11(3), 12, 13, 14, 26(5), 52 and 53 shall not apply to the Company
- 2 3 These articles and the Model Articles (except in so far as they are modified or excluded by these articles) shall together constitute the articles of association of the Company

## **DIRECTORS' POWERS AND RESPONSIBILITIES**

- 3 **Restrictions on exercise of directors' powers**
- 3 1 The Holding Company may from time to time, by giving notice to the Company in accordance with article 20, restrict the exercise of all or any of the powers conferred on the directors under the articles in the respects and to the extent specified in the notice Any such restriction shall take effect immediately upon the giving of such notice or, if later, the date specified in the notice
- 3 2 No restriction imposed by the Holding Company pursuant to article 3 1 shall invalidate any action taken pursuant to the exercise of any of the powers conferred

on the directors under the articles prior to the giving of the notice imposing the restriction

- 3 3 No person dealing with the Company shall be concerned to see or enquire whether any restriction has been imposed by the Holding Company pursuant to article 3 1 and no transaction or arrangement entered into by the Company with any third party in breach of any restriction imposed by the Holding Company pursuant to article 3 1 shall be invalid or ineffectual unless the third party had express notice of the restriction at the time the transaction or arrangement was entered into

## **DECISION-MAKING BY DIRECTORS**

### **4 Decisions of sole director**

If at any time the Company only has one director and no provision of the articles requires it to have more than one director, the general rule about decision-making by directors set out in Model Article 7(1) does not apply and the director may, for so long as he remains the sole director, take decisions without regard to any of the provisions of the articles relating to directors' decision-making and exercise all the powers conferred on the directors under the articles

### **5 Unanimous decisions**

Model Article 8(2) shall be amended by the deletion of the words "a resolution in writing, copies of which have been signed by each director" and the insertion in their place of the words "a resolution in writing which has been signed by each eligible director (and, for this purpose, the resolution may be contained in several documents in the same form each of which has been signed by one or more of the eligible directors)"

### **6 Quorum for directors' meetings**

- 6 1 Subject to article 6 2, the quorum for directors' meetings shall be three

- 6 2 If, in relation to a directors' meeting (or part of such a meeting) held to consider a resolution to authorise a conflict of interest pursuant to article 9 1, there is only one director who, in accordance with that article, is entitled to be counted in the quorum in relation to, and to vote on, such resolution, the quorum for that meeting (or the relevant part of such meeting) shall be one

- 6 3 If at any time the total number of directors is less than the quorum required under article 6 1, the directors or director in office must not take any decision other than a decision to appoint further directors or to call a general meeting for the purpose of appointing further directors

**7 Chairman**

The chairman shall be appointed by the Holding Company

**8 Casting vote at directors' meetings**

8 1 If the numbers of votes for and against a proposal at a directors' meeting are equal, the chairman or other director chairing the meeting shall, subject to article 8 2, have a second or casting vote

8 2 Article 8 1 shall not apply if the proposal is a resolution to authorise a conflict of interest pursuant to article 9 1 and the chairman or other person chairing the meeting is, in accordance with that article, not entitled to be counted in the quorum in relation to, or to vote on, such resolution

**DIRECTORS' INTERESTS**

**9 Authorisation of conflicts of interest**

9 1 For the purposes of section 175 of the Act, the directors may authorise any matter proposed to them which would otherwise involve a director breaching his duty under that section to avoid conflicts of interest. However, in order for any such authorisation to be effective, at the directors' meeting at which the proposal to give such authorisation is to be considered, the director in question and any other director having an interest in the matter proposed to be authorised must not be counted in the quorum in relation to, and must not vote on, any resolution giving such authorisation. In addition, the director in question and any other director having such an interest may, if the other directors participating in the meeting so decide, be excluded from the meeting while the matter is under consideration

9 2 A director seeking authorisation of a matter under article 9 1 must

- (a) declare to the other directors the nature and extent of his interest in that matter as soon as is reasonably practicable, and
- (b) provide the other directors with such information as is necessary to enable them to decide how to address any actual or potential conflict of interest which may reasonably be expected to arise out of that matter

9 3 Where the directors authorise a matter under article 9 1, the directors may

- (a) (whether at the time of giving the authorisation or subsequently) make the authorisation subject to any terms or conditions (including of a kind described in article 11 1), and

- (b) withdraw the authorisation or vary any terms or conditions to which the authorisation is subject at any time

## 10 Permitted interests

### 10 1 Subject to compliance with article 10 2, a director

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested,
- (b) may hold any other office or place of profit under the Company (except that of auditor) in conjunction with his office of director and may act, directly or through a body corporate or firm with which he is associated, in a professional capacity for the Company (otherwise than as auditor), in any such case on such terms as to remuneration and otherwise as the directors may decide, and
- (c) may be a director or other officer of, or employed by or otherwise be interested in any holding company or subsidiary of the Company or any other body corporate in which the Company is directly or indirectly interested,

and no authorisation under article 9 1 is necessary in respect of any such interest as is referred to in this article 10 1

### 10 2 Subject to article 10 3

- (a) in the case of an interest permitted by article 10 1 which is an interest in a proposed or existing transaction or arrangement with the Company, the interested director must declare the nature and extent of his interest to the other directors in a manner and at such time or times as complies with the Companies Acts, and
- (b) in the case of any other interest permitted by article 10 1, the interested director must declare the nature and extent of his interest to the other directors as soon as is reasonably practicable. Any such declaration must be made at a directors' meeting or by a notice in writing sent to the other directors or in such other manner as the directors may determine

### 10 3 A director need not declare an interest under article 10 2

- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest,

- (b) of which the director is not aware or where the director is not aware of the transaction or arrangement in question (and, for this purpose, a director is treated as aware of matters of which he ought reasonably to be aware),
- (c) if, or to the extent that, the other directors are already aware of it (and, for this purpose, the other directors are treated as aware of anything of which they ought reasonably to be aware), or
- (d) if, or to the extent that, it concerns terms of his service agreement that have been or are to be considered by a meeting of the directors or by a committee of the directors appointed for this purpose under these articles

## **11 Conflicts of interest - procedures and effect of compliance**

**11 1** Where a director has an actual or potential conflict of interest as a result of having an interest which has been authorised under article 9 1 or is permitted under article 10 1

- (a) the relevant director must comply with such requirements and procedures as the directors or the Holding Company may from time to time impose or adopt for dealing with conflicts of interest (either generally or in relation to the particular conflict of interest in question),
- (b) in particular but without limitation, the directors or the Holding Company may require that the relevant director is excluded from receiving any information, from participating in any discussions by the Company and from participating for quorum and voting purposes in any decision of the directors concerning any matter which gives rise or otherwise relates to the conflict of interest, and
- (c) the directors or the Holding Company may decide that, where a director obtains (otherwise than through his position as a director) information that is confidential to a third party, the director is under no obligation to disclose that information to the Company or to use or apply that information in relation to the Company's affairs, where to do so would amount to a breach of that confidence

**11 2** A director will not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Act as a result of doing (or omitting to do) any act or thing in accordance with any terms, conditions, requirements, procedures or decisions imposed, adopted or made by the directors or the Holding Company pursuant to articles 9 3 or 11 1

**11 3** A director shall not, by reason of his office (or the fiduciary relationship thereby established), be liable to account to the Company for any remuneration or other



benefit realised by reason of his having an interest which has been authorised under article 9 1 or is permitted under article 10 1 (subject, where relevant, to any terms or conditions imposed pursuant to article 9 3 and any requirements or procedures imposed or adopted pursuant to article 11 1) and no transaction or arrangement shall be liable to be avoided on the grounds of a director having any such interest or realising any such benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

## **12 Restriction on voting**

12 1 Subject to article 12 2, a director is not entitled to participate for quorum and voting purposes in the decision-making process at any directors' meeting on any resolution concerning any transaction or arrangement in which he has, directly or indirectly, an interest which may reasonably be regarded as likely to give rise to a conflict of interest

12 2 A director is entitled to participate for quorum and voting purposes in the decision-making process at any directors' meeting on any resolution concerning any transaction or arrangement in which he has, directly or indirectly, an interest if

- (a) the interest has been authorised under article 9 1, or
- (b) the interest is permitted under article 10 1 provided that he has declared the nature and extent of his interest in accordance with the Companies Acts and these articles,

unless and to the extent that any terms or conditions imposed pursuant to article 9 3 or any requirements or procedures imposed or adopted pursuant to article 11 1 exclude him from so participating or restrict such participation

12 3 If a question arises at a directors' meeting as to the entitlement of a director (including the chairman or other director chairing the meeting) to participate in the meeting (or part of the meeting) for quorum and voting purposes and the question is not resolved by the director concerned voluntarily agreeing not to participate, the question shall be decided by a decision of the directors participating in the meeting (and, for this purpose, the director concerned is not to be counted as participating in the meeting, or that part of the meeting, for quorum or voting purposes) and their decision shall be final and conclusive except in a case where the nature or extent of the interests of the director concerned have not been fairly disclosed

## **APPOINTMENT AND REMOVAL OF DIRECTORS**

### **13 Appointment of directors by the Holding Company**

The Holding Company may at any time and from time to time, by giving notice to the Company in accordance with article 21, appoint any person or persons to be a director or directors of the Company. Any such appointment shall take effect immediately upon the giving of such notice or, if later, the date specified in the notice.

### **14 Removal of directors by the Holding Company**

14.1 The Holding Company may at any time and from time to time, by giving notice to the Company in accordance with article 21, remove any director or directors (howsoever and by whomsoever appointed) from office. Any such removal shall take effect immediately upon the giving of such notice or, if later, the date specified in the notice.

14.2 The removal of any director pursuant to article 14.1

(a) shall be deemed to be the act of the Company, and

(b) shall be without prejudice to any claim for damages which the director may have for breach of any contract of employment or service between him and the Company.

## **COMPANY SECRETARY**

### **15 Company secretary**

15.1 The directors may appoint any person who is willing to act to be the secretary of the Company for such term, at such remuneration and otherwise upon such conditions as the directors think fit.

15.2 The directors may at any time remove any person so appointed from office and, if the directors so decide, appoint another in his place.

## **ALLOTMENT OF SHARES**

### **16 Directors' power to allot shares**

The directors shall not, save with the prior consent of the Holding Company given in accordance with article 21, exercise any power of the Company to allot shares or to grant rights to subscribe for, or to convert any security into shares.

**17 Exclusion of statutory pre-emption rights**

In accordance with section 567 of the Act, none of the requirements set out in section 561 or section 562 of the Act shall apply to an allotment of equity securities (within the meaning of section 560 of the Act) by the Company

**SHARE TRANSFERS**

**18 Transfers of shares - general**

**18 1 The directors may refuse to register the transfer of a share if**

- (a) the transfer is not lodged at the registered office of the Company or such other place as the directors have appointed,
- (b) the transfer is not accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer or the right of a person other than the transferor to make the transfer on the transferor's behalf,
- (c) the transfer is in favour of more than four transferees, or
- (d) the transfer is to a bankrupt, a minor or a person of unsound mind

**18 2 If the directors refuse to register a transfer of a share, the instrument of transfer must be returned to the transferee with the notice of refusal unless the directors suspect that the proposed transfer may be fraudulent**

**DECISION-MAKING BY SHAREHOLDERS**

**19 Decisions by sole member**

**19 1 For so long as the Company shall have only one member**

- (a) any decision that may be taken by the Company in general meeting may be taken by the sole member acting alone, and
- (b) any such decision shall be as effective as if agreed by the Company in general meeting

**19 2 Where a sole member takes a decision under article 19 1, he must (unless that decision is taken by way of a written resolution) provide the Company with details of that decision**

## **ADMINISTRATIVE ARRANGEMENTS**

### **20 Deemed delivery of notices, documents and information**

Any notice, document or information sent or supplied by the Company is deemed to have been received by the intended recipient

- (a) if sent by first class post, at the expiration of 24 hours after it was put in the post (or, where second class post is used, at the expiration of 48 hours after it was put in the post) and, in proving such receipt, it will be sufficient to show that the notice, document or information was properly addressed and put into the postal system with postage paid,
- (b) if sent by hand or by courier, at the time it is left at or delivered to the relevant address,
- (c) if sent by electronic means, at the expiration of one hour after it was sent and, in proving such receipt, it will be sufficient to show that the notice, document or information was properly addressed to the intended recipient, and
- (d) if sent or supplied by being made available on a website, when it was first made available on the website or, if later, when the intended recipient received (or is deemed to have received) notice of the fact that the notice, document or information was available on the website

### **21 Notices and consents given by the Holding Company**

21 1 This article 21 applies to

- (a) any notice given by the Holding Company to the Company pursuant to articles 3, 13 or 14, and
- (b) any consent given by the Holding Company under article 16

21 2 To be effective, a notice or consent to which this article 21 applies must

- (a) be in writing,
- (b) if in hard copy form, be signed on behalf of the Holding Company by one of its directors or some other person duly authorised for the purpose or, if in electronic form, authenticated as specified in section 1146 of the Act, and
- (c) be given to the Company

- (i) by being sent or supplied to the Company in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied to the Company, or
- (ii) by being produced at a directors' meeting

## **DIRECTORS' LIABILITIES**

### **22 Indemnity**

22 1 Subject to the provisions of, and so far as may be permitted by, the Companies Acts but without prejudice to any indemnity to which he may otherwise be entitled, every person who is or was at any time a director of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or offices as a director of the Company or of an associated company including

- (a) any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company, and
- (b) any liability incurred by or attaching to him in connection with the activities of the Company or an associated company in its capacity as trustee of an occupational pension scheme (as defined in section 235(6) of the Act)

22 2 Subject to the provisions of, and so far as may be permitted by, the Companies Acts, the Company may also provide any person who is or was at any time a director of the Company with funds to meet expenditure incurred or to be incurred by him of the nature described in section 205(1) or section 206(a) of the Act or do anything to enable that person to avoid incurring such expenditure

22 3 This article 22 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or any other provision of law

### **23 Insurance**

Without prejudice to article 22, the directors may decide to purchase and maintain, at the expense of the Company, insurance for or for the benefit of any person who is or was at any time

- (a) a director, officer or employee of the Company or an associated company,  
or
- (b) a trustee of any pension fund or employees' share scheme in which any  
employee of the Company or any associated company is interested,

including insurance against any liability attaching to, and any costs, charges, expenses or losses incurred by, any such person in respect of an act or omission in the actual or purported execution or discharge of his duties or in the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or offices in relation to the Company or an associated company or any such pension fund or employees' share scheme

#### **24      Meaning of "associated company"**

For the purposes of articles 22 and 23, companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate