

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
PRINT OF A RESOLUTION OF THE MEMBERS
of
GRAINMARKET PROPERTIES LIMITED
(the Company)

Passed on... 28 APRIL2017

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the **Act**), the resolution below (the **Resolution**) was passed as a Special Resolution indicated below on the above date.

SPECIAL RESOLUTION

THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.


.....
Signed by and on behalf of
Grainmarket Properties Limited



THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

GRAINMARKET PROPERTIES LIMITED
(the Company)

(Adopted by special resolution passed on 28 APRIL 2017)

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions. The following definitions apply in these Articles:

Act means the Companies Act 2006;

Active Period means, in respect of a specified notice, the period from the time of its service or deemed service until the time when none of the shareholders, the directors or the Company has any further rights or duties, directly or indirectly, pursuant to that notice;

Articles means these articles of association;

Associate has the meaning given to it in section 435 of the Insolvency Act 1986;

A Ordinary Shares means the A Ordinary Shares of £1.00 each in the capital of the Company;

B Ordinary Shares means the B Ordinary Shares of £1.00 each in the capital of the Company;

C Ordinary Shares means the C Ordinary Shares of £1.00 each in the capital of the Company;

D Ordinary Shares means the D Ordinary Shares of £1.00 each in the capital of the Company;

Group means the Company and any subsidiary or subsidiaries (if any) of the Company from time to time;

Model Articles means the model articles for private companies contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

Ordinary Shares means the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares;

share means a share in the Company of whatever class;

shareholder means a registered holder of shares in the Company (and includes joint holders);

transmittee means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law.

1.2 Interpretation. In these Articles, where the context admits and unless specified to the contrary:

1.2.1 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;

1.2.2 a reference to an **Article** is a reference to the relevant article of these Articles unless expressly provided otherwise;

1.2.3 words and expressions defined in any part of these Articles have the same meanings throughout these Articles;

1.2.4 a reference to the issue of a share includes the allotment of a share;

1.2.5 use of the singular is deemed to include the plural, use of any gender is deemed to include every gender and any reference to a person is deemed to include a corporation, a partnership and other body or entity; and (in each case) vice versa;

1.2.6 references to the **directors** means, unless the context otherwise requires, the directors of the Company acting as a board or the directors of the Company present or deemed to be present at a duly convened board meeting at which a quorum is present;

1.2.7 a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of (i) any subordinate legislation from time to time made under it and (ii) any amendment or re-enactment, and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts;

1.2.8 in relation to any shareholder, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that shareholder is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned; and

1.2.9 the headings shall not affect the interpretation of these Articles.

2. MODEL ARTICLES

The Model Articles apply to the Company, except to the extent they are modified or excluded by or are inconsistent with these Articles.

3. LIABILITY OF MEMBERS

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

4. SHARE CAPITAL

- 4.1 Classes of shares.** The Company has four classes of shares, namely the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares. The Ordinary Shares have the rights and restrictions set out in Articles 4.5, 4.6 and 4.7.
- 4.2 Directors' authority to issue new shares.** Subject to the Act, these Articles and to any relevant authority granted by shareholders in accordance with the Act, the Board may offer, allot, grant options over or otherwise deal with or dispose of shares or grant rights to subscribe for or convert any security into shares to such persons, at such times and upon such terms as the Board may decide.
- 4.3 No maximum number of shares.** Subject to the necessary directors' authority to allot shares (including in accordance with sections 549 to 551 of the Act), there will be no maximum number of shares which may be allotted by the Company, or over which rights may be granted.
- 4.4 Lien.** The Company shall have a first and paramount lien on every share, whether or not a fully paid share, for all moneys, whether presently payable or not, payable or otherwise owing by the holder of such share, or any Associate of such holder, to the Company or any other member of the Group. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article 4.4. The Company's lien on a share shall extend generally as described above as well as to any amount payable in respect of it.
- 4.5 Share rights.** The Ordinary Shares have the special rights and restrictions attaching to them under Article 4.6 and Article 4.7. Except for those special rights and restrictions, the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares will rank equally, but will constitute four separate classes of shares.
- 4.6 Voting Rights.** The holders of the A Ordinary Shares and the C Ordinary Shares shall be entitled to receive notice of and to attend, speak and vote at any general meetings of the Company and vote on any proposed written resolutions. The holders of such shares who (being individuals) are present in person or by proxy or (being corporates) are present by duly authorised representative or by proxy shall, on a show of hands, have one vote each and, on a poll, shall have one for each such share of which he is the holder.
- The holders of the B Ordinary Shares and the D Ordinary Shares shall not be entitled to receive notice of or to attend, speak or vote at any general meeting of the Company or vote on any proposed written resolutions.
- 4.7 Dividend and Distribution Rights.** Any profits available for distribution and which the Company may determine to distribute in respect of any financial year may be distributed as follows:
- 4.7.1** among the holders of Ordinary Shares pro rata to their respective holdings of Ordinary Shares; or
 - 4.7.2** to the holder of any class or classes of shares to the exclusion of the holders of any other class or classes of shares.

On a return of assets on liquidation, capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be distributed (to the extent that the Company is lawfully able to do so) among the holders of the Ordinary Shares pro rata to their respective holdings of shares.

- 4.8 **Purchase of own shares with cash.** The Company may make a purchase of its own shares with cash under section 692 of the Act.

5. PRE-EMPTION RIGHTS ON TRANSFERS OF SHARES

- 5.1 **General restriction on transfers of shares.** Shareholders must not sell, transfer or dispose of any of his shares, or any interest in them, or create or permit to exist any charge, lien or encumbrance over any of his shares or any interest in them, or agree to do any of the above whether conditionally or unconditionally other than in accordance with this Article 5. This is subject to Article 5.2.
- 5.2 **Buyback Exemption.** A sale of shares to the Company itself pursuant to and in accordance with sections 690 to 724 (inclusive) of the Act shall not be subject to article 5.1 or the other provisions of this Article 5.
- 5.3 **Pre-emption rights.** A shareholder who proposes to transfer all or any of the shares in the Company held by him (**Proposing Transferor**) must first offer such shares (**Transfer Shares**) for sale to the other shareholders in accordance with this Article 5. To the extent that the Transfer Shares are not taken up by the other shareholders, they may be dealt with in accordance with the remaining provisions of this Article 5.
- 5.4 **Transfer Notice and share certificates.** The Proposing Transferor must give notice in writing (**Transfer Notice**) to the Company that he wishes to transfer the Transfer Shares. The Company (acting by the directors) will be the Proposing Transferor's agent for the sale of the Transfer Shares in accordance with this Article 5. Once given, a Transfer Notice cannot be revoked. The Proposing Transferor must deliver to the Company the share certificate(s) in respect of the Transfer Shares (or a customary indemnity in respect of any lost certificate(s)) at the same time as giving a Transfer Notice.
- 5.5 **Notice to shareholders.** Within 7 days after the receipt of a Transfer Notice, the directors must serve notice on all the shareholders, except the Proposing Transferor, notifying them that the Transfer Notice has been given.
- 5.6 **Offer Price.** The Transfer Shares will be offered at the **Offer Price**. This means such sum per Transfer Share as may be agreed between the Proposing Transferor and the directors as representing the fair market value of the Transfer Shares. However, if the Proposing Transferor and the directors cannot reach agreement for any reason within 14 days after the service of the notice under Article 5.5, the Offer Price will be decided by experts appointed under Article 5.7. Either the Proposing Transferor or the directors may request an appointment under Article 5.7.
- 5.7 **Experts.** "**Experts**" means an independent firm or other entity capable of acting as the Company's auditors, but not being the Company's auditors. The Experts will be appointed by agreement between the Proposing Transferor and the directors. However, if they fail to agree on an appointment within 14 days after a particular appointment is proposed by either the Proposing Transferor or the directors, the Experts will be selected by the President (or, if he is unavailable for any reason, the next most senior available officer) from time to time of the Institute of Chartered Accountants in England and Wales. If he shall be unable or unwilling to make a selection, then the selection will be made by the High Court of Justice in England. Either the Proposing Transferor or the directors may apply for such a selection to be made.
- 5.8 **Referral to Experts.** The Company must refer the valuation of the Transfer Shares to the Experts promptly after the selection of the Experts. The Company will use all reasonable endeavours to ensure that the Experts reach their decision as soon as possible after such referral. The Experts will act as experts and not as arbitrators and their decision will, in the absence of manifest error, be final and binding.

- 5.9 **Costs of the Experts.** The costs and expenses of the Experts, and of their appointment, will be borne by the Company unless the Offer Price decided by the Experts is the same as, or within three per cent of, that (if any) which the directors had notified to the Proposing Transferor in writing as being in their opinion the appropriate Offer Price, in which event such costs and expenses will be borne by the Proposing Transferor.
- 5.10 **Basis of valuation by the Experts.** The Experts will decide and certify the fair market value of the Transfer Shares as at the date of the Transfer Notice as between a willing buyer and a willing seller at arm's length which value will not be discounted by reason of the fact that the Transfer Shares (if such be the case) constitute a minority holding. However, a different basis of valuation may be used if the Proposing Transferor and the directors agree in writing to this.
- 5.11 **Offer to shareholders.** Within 7 days after the Offer Price has been agreed or decided, the Company will offer the Transfer Shares at the Offer Price to the shareholders. However, the offer must not be made to the Proposing Transferor, any Associate of the Proposing Transferor, any shareholder who has served or is deemed to have served a Transfer Notice which is then in its Active Period or any Associate of that shareholder. The offer must be made in writing specifying the total number of shares offered. It must be accompanied by a form of application for use by the shareholder in applying for any Transfer Shares which he is willing to purchase. The offer must be open for acceptance for 21 days from the date of its despatch (**Offer Period**).
- 5.12 **Allocation of Transfer Shares.** At the end of the Offer Period, the directors will allocate the Transfer Shares to accepting shareholders (each shareholder allocated shares being referred to below as a **Purchasing Shareholder**) either (i) in accordance with the acceptances received if there is no competition between accepting shareholders for any shares or class of shares offered or (ii) if there is any such competition, in such proportions (or as nearly as may be and without increasing the number sold to a Purchasing Shareholder beyond the number applied for by him) as their existing holdings bear to the total of the holdings of the applicant Purchasing Shareholder.
- 5.13 **Right for the directors to nominate a preferred purchaser (including the Company) for shares not taken up by shareholders.** If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the directors may, within 14 days after the expiry of the Offer Period (**Nomination Period**), nominate any person or persons, which may include the Company, to purchase some or all of the Transfer Shares which have not been allocated to a Purchasing Shareholder. However, no such person will be entitled to be nominated unless:
- 5.13.1 he shall be obliged to purchase the Transfer Shares in respect of which he is so nominated no later than if he had been a Purchasing Shareholder and at the Offer Price; or
- 5.13.2 in the case of the Company being nominated, the conditions set out in Article 5.14 have been satisfied.
- 5.14 **Conditions for the Company to be nominated.** The conditions referred to in Article 5.13.2 are that:
- 5.14.1 a resolution must have been passed, or a shareholders' written resolution must have been signed, in either case approving in accordance with the Act the terms of a proposed share purchase agreement for the purchase by the Company of the Transfer Shares in respect of which it is so nominated from the Proposing Transferor;

- 5.14.2 under the terms of the proposed share purchase agreement, the Company would be obliged to purchase the Transfer Shares in respect of which it is so nominated no later than if it had been a Purchasing Shareholder and at the Offer Price;
- 5.14.3 the proposed share purchase agreement when executed would impose no obligations on the Proposing Transferor other than to sell the relevant Transfer Shares to the Company and to the effect that they will be so sold with full title guarantee and free from any encumbrances and third party rights and with all rights attaching to them at the time the agreement is executed;
- 5.14.4 the proposed share purchase agreement complies with and its terms are consistent with the requirements of sections 690 to 724 (inclusive) of the Act; and
- 5.14.5 the directors must have resolved that the share purchase agreement be executed by the Company.

Subject to, and immediately following, the Company being nominated and satisfaction of all the conditions set out in this Article 5.14, the Company and the Proposing Transferor must execute the proposed share purchase agreement (**Buy Back Agreement**).

- 5.15 **Notice of allocation of shares.** Within 7 days after the expiry of the Offer Period or, if all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the expiry of the Nomination Period, the directors will notify the Proposing Transferor and all Purchasing Shareholders of the details of the applications which have been made, of the allocations made as between Purchasing Shareholders and of the person or persons nominated under Article 5.13 (each a **Nominated Person**) and those Transfer Shares which each such person is obliged to purchase.
- 5.16 **Sale at Offer Price.** Any sale of shares made pursuant to this Article 5 to a Purchasing Shareholder or a Nominated Person shall be at the Offer Price. If, in determining the Offer Price, there was taken into account any entitlement to any dividend which has been paid prior to the date on which the transfer is registered then the Proposing Transferor shall be liable to account to the transferee for the amount of the dividend and the transferee, when making payment for such shares, may set-off such amount against the Offer Price payable.
- 5.17 **Completion of the sale.** The Proposing Transferor must, upon payment of the Offer Price, transfer to each Purchasing Shareholder and to each Nominated Person those Transfer Shares which such person is obliged to purchase and to deliver, if he has not already done so, the relative share certificates (or a customary indemnity in respect of any lost certificates). Such payment shall be deemed to be made validly if it is made to the Company to be held in trust for the Proposing Transferor against delivery of such transfers and share certificates (or indemnity). In the case of Transfer Shares the subject of a Buy Back Agreement, completion of the sale and purchase of such Transfer Shares will take place in accordance with the terms of the Buy Back Agreement.
- 5.18 **Right for Proposing Transferor to sell to a third party any shares not taken up.** If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders or by a Nominated Person or Nominated Persons, the Proposing Transferor may, within 60 days after the date on which he received notice under Article 5.15, transfer all, but not some only, of the Transfer Shares which have not been accepted to one or more persons, other than a shareholder or any Associate of a shareholder, on a bona fide sale at a price per Transfer Share not less than the Offer Price (after deduction, where appropriate, of any dividend or other distribution to be retained by the Proposing Transferor).

- 5.19 **Failure of the Proposing Transferor to complete the sale.** The following will apply if the Proposing Transferor fails to comply with his obligation to complete the transfer of any Transfer Shares:
- 5.19.1 the directors may authorise some person to execute the necessary instrument of transfer of such Transfer Shares, who may deliver such instrument of transfer on the Proposing Transferor's behalf;
 - 5.19.2 the person so authorised is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for that purpose;
 - 5.19.3 the Company will receive the purchase money and will hold it in trust for the Proposing Transferor;
 - 5.19.4 upon receipt of the purchase money the Company will ensure that the transferee is registered as the holder of such Transfer Shares, subject to such instrument of transfer being stamped with any required stamp duty;
 - 5.19.5 the Company will not be obliged to earn or pay interest on the purchase money and will not pay the purchase money to the Proposing Transferor until the Proposing Transferor has delivered his share certificates (or a customary indemnity in respect of any lost certificates) to the Company;
 - 5.19.6 the receipt of the Company for the purchase money will be a good discharge to the transferee who will not be obliged to see to the application of the purchase money and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.
- 5.20 **Failure of the Proposing Transferor to comply with a Buy Back Agreement.** The following shall apply if the Proposing Transferor, having become obliged to execute or complete a Buy Back Agreement, fails to do so:
- 5.20.1 the directors may authorise some person (**attorney**) to execute or complete the Buy Back Agreement and receive the purchase money due in respect of it on the Proposing Transferor's behalf;
 - 5.20.2 the attorney is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for the purpose,
 - 5.20.3 the receipt of the attorney for the purchase money shall be a good discharge to the Company and the Company shall be entitled to treat the Buy Back Agreement as completed against such receipt;
 - 5.20.4 the attorney will hold the purchase money in trust for the Proposing Transferor;
 - 5.20.5 the attorney will not be bound to earn or pay interest on the purchase money and shall not pay the purchase money to the Proposing Transferor until the Proposing Transferor delivers to the Company his share certificates (or a customary indemnity in respect of any lost certificates) relating to the Transfer Shares the subject of the Buy Back Agreement.
- 5.21 **Waiver.** The provisions of this Article 5 may be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case by a shareholders' special resolution.

6. DIRECTORS' CONFLICTS OF INTEREST

6.1 Authorising situational conflicts of interest. The directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties). The directors may do so subject to such terms and conditions, if any, as they may think fit from time to time to impose and subject always to their right to vary or terminate such authorisation.

6.2 Conditions for the authorisation to be effective. However, the authorisation referred to in Article 6.1 is only effective if:

6.2.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and

6.2.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

6.3 Effect of authorisation. If a matter has been authorised by the directors in accordance with Article 6.1 (an **approved matter**) then the relevant director:

6.3.1 shall not be required to disclose any confidential information relating to the approved matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that approved matter;

6.3.2 may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which may be relevant to the approved matter;

6.3.3 shall not, by reason of his office as a director, be accountable to the Company for any benefit which he derives from the approved matter.

6.4 Interests in other Group companies. A director may, notwithstanding his office or the existence of an actual or potential conflict between the interests of the Company and those of another member of the Group which would be caught by section 175(1) of the Act, be a director or other officer of, or employed by or otherwise interested in, whether directly or indirectly, any other company in the Group (a **group company interest**) and the director in question:

6.4.1 shall be entitled to be counted in the quorum and to attend any meeting or part of a meeting of the directors or a committee of the board of directors at which any matter which is or may be relevant to the group company interest may be discussed, and to vote on any resolution of the directors or a committee of the board of directors relating to such matter or to take any unanimous decision of the directors, and any board or committee papers relating to such matter shall be provided to the director in question at the same time as the other directors;

6.4.2 shall not be obliged to account to the Company for any benefit which he derives from a group company interest;

6.4.3 shall not be obliged to disclose to the Company or use for the benefit of the Company, any confidential information received by him by virtue of his group company interest and otherwise than by virtue of his position as a director, if to do so would result in a breach of a duty or obligation of confidence owed by him to any other company in the Group or third party.

- 6.5 **Interests in transactions or arrangements with the Company.** The provisions of Articles 6.1 to 6.4 (inclusive) shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this Article 6.5 and Article 6.6 shall apply. Any director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act.
- 6.6 **Effect of declaring an interest in a transaction or arrangement with the Company.** Without prejudice to the obligation of each director to declare an interest in accordance with sections 177 and 182 of the Act, a director may vote at a meeting of the board of directors or of a committee of the board of directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty he may have, the director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted. He may also retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him under or in consequence of such transaction or arrangement. Article 16 of the Model Articles shall not apply.
- 6.7 **Quorum in the event of conflicts of interest.** If at any meeting of directors there is only one director entitled to vote on the business of the meeting, or any item of business at the meeting, because of a conflict of interest of the other directors, then the quorum for that meeting or that item of business shall be one.

7. TRANSMITTEES

These Articles shall be binding upon and shall apply for the benefit of each transmittee of a shareholder.

8. INDEMNITY

In addition to the indemnity conferred by Article 52 of the Model Articles and subject to the provisions of the Act, every such person as is mentioned in the said Article 52 shall be entitled to be indemnified out of the assets of the Company against all expenses losses or liabilities incurred by him as agent of the Company or for the Company's benefit or intended benefit or in or about the discharge or intended discharge of his duties in relation to the Company.