

# THE COMPANIES ACT 2006 ARTICLES OF ASSOCIATION

## YOUNG & PARTNERS BUSINESS LAWYERS LIMITED

(Adopted by special resolution passed on 30 November 2023)

### 1. Interpretation

1.1. The following definitions and rules of interpretation apply in these Articles:

1980 Act: means the Solicitors (Scotland) Act 1980.

A Share: means an ordinary share of £0.0000992167 in the capital of the Company designated as an A share.

Articles: means these articles of association.

B Share: means an ordinary share of £0.0000992167 in the capital of the Company designated as a B share.

C Share: means an ordinary share of £0.0000992167 in the capital of the Company designated as a C share.

Company: Young & Partners Business Lawyers Limited incorporated in Scotland under registered number SC528615.

Council: means the Council of the Society.

D Share: means an ordinary share of £0.0000992167 in the capital of the Company designated as a D share.

E Share: means an ordinary share of £0.0000992167 in the capital of the Company designated as an E share.

F Share: means an ordinary share of £0.0000992167 in the capital of the Company designated as a F share.

foreign lawyer: means a person who is not a solicitor or an advocate but who is a member, and entitled to practise as such, of a legal profession regulated within a jurisdiction outwith Scotland.

G Share: means an ordinary share of £0.0000992167 in the capital of the Company designated as a G share.

incorporated practice: means a body corporate recognised by the Council in terms of section 34(1A) of the 1980 Act as being suitable to undertake the provision of professional services such as may be provided by solicitors.

licensed provider: means a licensed legal services provider construed in accordance with Part 2 of the Legal Services (Scotland) Act 2010

manager: means

1) a sole practitioner;

- 2) a partner in a firm of solicitors;
- 3) a member or director of an incorporated practice which is a company,
- 4) a member of an incorporated practice which is a limited liability partnership;
- 5) a member of a multi-national practice; or
- 6) a solicitor, registered European lawyer or registered foreign lawyer who is either
  - a) a partner in a licensed provider which is a partnership;
  - b) a member or director of a licensed provider which is a company; or
  - c) a member of a licensed provider which is a limited liability partnership.

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

multi-national practice: means

- 1) a partnership whose members are regulated persons and include registered foreign lawyers; or
- 2) a body corporate whose members include registered foreign lawyers, and membership of which is restricted to regulated persons.

practice unit: means a sole practitioner solicitor, firm of regulated persons, incorporated practice, multi-national practice or licensed provider.

registered European lawyer: means a person registered with the Society in accordance with regulation 17 of the European Lawyer Regulations.

registered foreign lawyer: means a foreign lawyer who is registered under section 60A of the 1980 Act.

regulated person: means a solicitor, a registered European lawyer, a registered foreign lawyer or a practice unit.

rule: means a rule of the Law Society of Scotland Practice Rules 2011.

Society: means the Law Society of Scotland.

## 2. Model Articles

- 2.1. The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.

## 3. Share capital

- 3.1. The Company's share capital shall comprise the A Shares, B Shares, C Shares, D Shares, E Shares, F Shares and G Shares.
- 3.2. Except as otherwise provided in these Articles, the A Shares, B Shares, C Shares, D Shares, E Shares, F Shares and G Shares shall each rank equally in all respects but shall constitute separate classes of shares.
- 3.3. The directors of the Company may declare different dividends in respect of different classes of shares at such rate or rates and at such time or times as may be resolved by and at the absolute discretion of the directors.

#### 4. Objects

4.1. The objects for which the Company is established are:

4.1.1. to operate as a practice unit recognised by the Society in compliance with the 1980 Act and the Rules; and

4.1.2. to do all such other lawful things as are:

4.1.2.1. incidental or conducive to the pursuit or to the attainment of any the objects set out in paragraph 4.1.1 of these Articles; or

4.1.2.2. otherwise, in the opinion of the directors of the Company, of benefit to the Company and its members.

#### 5. Members and Directors (rule 5.4.1)

5.1. A person shall only be qualified (Duly Qualified) to be a member of the Company and (subject to paragraph 5.5 of these Articles) enjoy any of the rights of members:

5.1.1. if that person is not prohibited from practising as a manager in terms of rule 2.1; or

5.1.2. if that person is a solicitor, registered European lawyer or registered foreign lawyer or firm of solicitors or an incorporated practice.

5.2. No person shall be appointed or re-appointed or act as a director of the Company unless that person is a member of the Company Duly Qualified to be a member of the Company.

5.3. No person other than a person Duly Qualified to act as a director may be appointed as an alternate director.

5.4. A director or alternate director shall vacate office if he ceases to be a member of the Company or to be Duly Qualified to act as a director.

5.5. The executor of a deceased member of the Company shall have no voting rights in respect of the executor's membership of the Company.

5.6. Any member who ceases to be Duly Qualified shall forthwith transfer his or its shares or other interest in the Company to another person who is so qualified, or otherwise cease to be a member of the incorporated practice.

#### 6. Management (rule 5.4.2)

This article contains provisions to anticipate and to deal with the situation where for whatever reason there is no longer a Duly Qualified person exercising the day to day management and control of the Company.

6.1. Where, for whatever reason, there is no longer a person Duly Qualified exercising the day to day management and control of the Company (Default Event) the Company must, without delay and in any event within 7 days of the occurrence of the Default Event, nominate the appointment of a Duly Qualified person as a director and member of the Company subject only to:

6.1.1. that person accepting nomination; and

6.1.2. the Society so approving that nomination.

6.2. If a Duly Qualified person nominated under paragraph 6.1 of these Articles declines nomination (or does not accept nomination within a further seven days) and/or if the Society declines to approve that nomination (or does not approve nomination within that second seven days) the Company must petition for the appointment of a factor to manage its business and affairs and, in particular:

6.2.1. to operate all client accounts of the Company; and

6.2.2. to make available to its clients or to some other regulated person instructed by its clients or the Company:

6.2.2.1. all deeds, wills, securities, papers, books of account, records, vouchers and other documents in its possession or control which are held on behalf of its clients or which relate to any trust of which it is sole trustee or co-trustee only with one or more of its employees; and

6.2.2.2. all sums of money due from it or held by it on behalf of its clients or subject to any trust as aforesaid.