

Company number 09938221

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

TAILORED COMPLIANCE LIMITED (Company)

CIRCULATION DATE: 20 January 2016

Under Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution is passed as a special resolution (**Resolution**)

**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.

**AGREEMENT**

Please read the notes at the end of this document before signifying your agreement to the Resolution

The undersigned, a person entitled to vote on the Resolution on 20 January 2016, hereby irrevocably agrees to the Resolution

Signed by Hannah Schneider.

*Hannah Schneider*

Signed by David Andrew Jones.

*David Jones*

Date 20 January 2016



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INCORPORATED UNDER THE COMPANIES ACT 2006

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THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION  
OF  
TAILORED COMPLIANCE LIMITED  
INCORPORATED ON 6 JANUARY 2016  
ADOPTED BY SPECIAL RESOLUTION  
PASSED ON 20 JANUARY 2016

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**1. DEFINITIONS AND INTERPRETATION**

- 1.1 'A Director' means a Director of the Company appointed by the Holder of the A Shares in accordance with the Articles;
- 1.2 'A Shareholder' means the Holder for the time being of all of the A Shares
- 1 3 'A Shares' means the A Shares of the Company;
- 1 4 'Act' means the Companies Act 2006,
- 1 5 'Affiliate' means any wholly owned company of either Director of the Company,
- 1 6 'Appointing Shareholder' has the meaning set out in Article 13 5,
- 1 7 'Articles' means the Company's articles of association,
- 1 8 'B Director' means a Director of the Company appointed by the holder of the B Shares in accordance with these Articles;
- 1 9 'B Shareholder' means the holder for the time being of all of the B Shares,
- 1.10 'B Shares' means the B Shares of the Company,
- 1.11 'Bankruptcy' means any individual insolvency proceedings affecting either Director,
- 1 12 'Board' means the board of Directors of the Company for the time being;
- 1 13 'Business Day' means a day other than a Saturday, Sunday or public holiday in England and Wales,
- 1 14 'Certificate' means a paper certificate evidencing a person's title to specified Shares or other securities,
- 1 15 'Company' means Tailored Compliance Ltd of 2c Hawthorne Road, Caversham, Reading, RG4 6LY;
- 1 16 'Confidential information' means all information which is confidential relating to the business customers, suppliers, financial, technical or other matters of either Director, which has been supplied by a Director to the Company in confidence, in relation to which either or both Directors are bound by an obligation of confidence to a third party;
- 1.17 'Director' means any Director of the Company, including both A Director and B Director;
- 1 18 'Dispose' means in relation to any Share of the Company or any legal or beneficial interest in any such Share

- 1 18 1 Sell, assign, transfer or otherwise dispose of, or grant any option over it;
- 1 18 2 Create or permit to exist an encumbrance over it,
- 1 18 3 Create a trust or confer any interest in it,
- 1 18 4 Direct that another person should, or assign any right to, receive it,
- 1 18 5 Enter into any agreement, arrangement or understanding in respect of voting rights and dividends;
- 1 18 6 Any other transmission of the share by operation of law;
- 1 19 'Distribution recipient' means the legally entitled recipient of either a dividend or capital distribution from the Company,
- 1 20 'Document' means any document sent or supplied in hard copy or electronic format,
- 1 21 'Encumbrance' means any chargeable right over the Shares,
- 1 22 'Fully paid' means that the nominal value and if applicable any premium have been paid to the Company;
- 1 23 'Holder' means the legal holder of Shares;
- 1 24 'Instrument' means a document in hard copy format;
- 1.25 'Participate' means the definition given in article 7,
- 1 26 'Proxy notice' means the definition given in article 7.8,
- 1 27 'Proxy notification address' means the definition given in article 8,
- 1 28 'Qualifying person' means a formally appointed individual acting on behalf of one of the Directors,
- 1.29 'Restricted person' means any individual who is either sanctioned or disqualified from holding a directorship in the United Kingdom;
- 1.30 'Shareholders' means the A Shareholder and the B Shareholder;
- 1 31 'Shares' means the A Shares and B Shares,
- 1 32 'Transmittee' means a person entitled to a Share by reason of the death or bankruptcy of a member or otherwise by operation of law;
- 1 33 'United Kingdom' means Great Britain and Northern Ireland,
- 1 34 Words and expressions, unless otherwise stated, shall have the same meaning in these articles as in the Act;

- 1 35 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose;
- 1 36 References to statutory provisions includes relevant updates,
- 1 37 Unless otherwise stated, a reference to a singular shall include the plural, and vice versa,
- 1 38 Words importing one gender shall include each gender,
- 1.39 A member is present at a meeting if either they attend in person or a duly appointed proxy or representative does so on their behalf.

## **2. PRIVATE COMPANY STATUS AND LIABILITY OF DIRECTORS AND SHAREHOLDERS**

- 2 1 The Company is a private company limited by shares and accordingly any offer to the public to subscribe for any Shares of the Company is prohibited
- 2.2 The Company will not issue debentures or equivalent types of instrument
- 2 3 The liability of Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

## **3. SHARE CAPITAL**

- 3 1 The Share capital of the Company from inception is divided into A Shares and B Shares
- 3 2 Except as provided otherwise in these Articles, A Shares and B Shares shall rank pari passu in all respects, while constituting separate share classes.
- 3 3 Unless otherwise provided for in these Articles, the rights attaching to the Shares shall be deemed to be varied by
  - 3 3 1 The creation or issue of further Shares ranking in priority to them for the payment of a dividend or capital; or
  - 3 3 2 Any agreed amendment to these Articles
- 3.4 The rights attaching to the Shares shall not be deemed to be varied by
  - 3 4 1 The creation or issue of further Shares ranking subsequent to them; or
  - 3 4 2 By the Company purchasing an equal number of A and B Shares

- 3 5 If deemed necessary, the Company may issues further Shares without prejudice to the rights of existing Shares following a resolution at a quorate ordinary meeting
- 3.6 Redemption of such Shares shall be at the option of the Company or the Holder
- 3 7 A meeting quorum shall be both Directors.
- 3 8 Unless required by law, the Company is not bound to recognise any interest in a Share other than the Holder's absolute interest and rights attaching to it.
- 3 9 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company as consideration for its issue
- 3 10 Article 3.9 does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum

#### **4 SHARE CERTIFICATES**

- 4 1 The Company will issues written record to the Shareholder/Directors in respect of the Shares that each member holds, including:
  - 4 1 1 Details of what class of Shares is held,
  - 4 1 2 The nominal value of those Shares,
  - 4 1 3 That those Shares are Fully Paid or otherwise at formation,
  - 4 1 4 Any other relevant information
- 4 2 No Certificate may be issued in respect of Shares of more than one class
- 4 3 Every Certificate must be issued in a manner approved by the Directors
- 4 4 Damaged, defaced, lost, stolen or destroyed Share Certificates can be replaced upon application to the Directors of the Company

#### **5 SHARE TRANSFERS**

- 5 1 The Directors may refuse to register the transfer of a Share if it violates any applicable laws or contravenes any agreement or existing rights contained in these Articles
- 5 2 If the Directors refuse to register the transfer of a Share accordingly, the instrument of transfer must be returned to the transferee with a notice of refusal, setting out the reasons for refusal, unless they suspect that the proposed transfer may be fraudulent

5.3 Subject to these Articles and any agreement between the Shareholders in writing, a Shareholder may transfer all of its Shares to:

5 3 1 A wholly-owned Affiliate of the Shareholder,

5 3 2 The other Shareholder;

5 3 3 A third party, providing the third party is not a Restricted Person and that prior to such a transfer the other Shareholder has been offered the opportunity to purchase the transferring Shareholder's Shares on the same terms being offered to the third party in accordance with terms agreed between the Shareholders in writing.

5.4 Transmittes who are bequeathed Company Shares may either retain them and be subject to the same agreements as the original Shareholder, including these Articles, or may dispose of them exclusively in line with these Articles

5.5 Transmittes do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the event which gave rise to the transmission, unless they become Holders of those Shares as outlined above.

5 6 Transmittes who wish to become Holders of Shares must notify the Company in writing of that wish and be bound by prior notices given to the Shareholder from whom they inherited their Shares.

## **6 DIVIDENDS AND OTHER DISTRIBUTIONS**

6 1 The Company may by ordinary resolution declare dividends and the Directors may decide to pay interim dividends.

6.2 A dividend must not be declared unless the Directors have unanimously agreed on the recommended amount Dividend payments shall not exceed that recommended amount

6.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.

6 4 Dividends must be paid by reference to each Shareholder's holding.

6 5 As the Company's share capital is divided into two separate Share classes, dividend payment will rank equally across all Shares classes

6 6 Except as otherwise provided by these Articles or the rights attached to the Shares, all dividends must be



- 6 6 1 Declared and paid according to amounts paid up, save for Shares taken on the formation of the Company by the subscribers to the Company's memorandum,
- 6 6 2 Paid in accordance with holdings.
- 6 7 Acceptable methods of dividend or distribution payment are:
  - 6 7 1 Transfer to a bank or building society account specified by the distribution recipient in writing;
  - 6 7 2 Sending a cheque made payable to the recipient to the recipient's registered address;
  - 6 7 3 Any other means of payment agreed by the Directors in writing
- 6.8 The Company may not pay any dividend or other distribution unless provided by the terms of the share issued or effective written agreements between the Shareholder and the Company
- 6.9 A distribution recipient is not obliged to receive the proposed payment and may waive the receipt of the distribution by notifying the company in writing

## **7 OPERATION OF GENERAL MEETINGS**

- 7 1 Quorum at a General Meeting is both Directors, representing the holders of A Shares and B Shares
- 7 2 The Directors do not have to be physically in the same location for the meeting to proceed, providing both Directors are effectively able to exercise their rights to vote and speak at the meeting
- 7.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak and/or vote at it.
- 7 4 Decisions must be unanimous between the Directors to proceed, voted for by either a show of hands or verbal consent followed by suitable documentation afterwards
- 7 5 Directors and Shareholders have one vote each
- 7 6 If a proxy is attending on behalf of one Director, the same operations apply
- 7 7 The Company is not obliged to verify that a proxy has acted in accordance with the terms of his appointment and failure to do so will not affect the validity of any proceedings.

- 7 8 Proxies must produce a 'proxy notice' to be validly appointed and prior to attendance, confirming the Shareholders name and address, identifying the person appointed as proxy and signed by the Shareholder represented or otherwise authenticated by the Directors
- 7 9 In the case of an equality of votes, the chairman shall not be entitled to a casting vote
- 7.10 Persons who are not Directors or Shareholder may speak at general meeting with the prior consent of those affected.
- 7 11 Resolutions must be passed in writing
- 7 12 Any Director may call a Directors meeting by giving at least 5 days notice to the other Director
- 7 13 Notice of the meeting must contain sufficient detail to enable the other Director to meaningfully attend and participate
- 7.14 A Directors meeting shall be quorate with both Directors present and shall operate in the same way as the general meeting
- 7 15 Any Director may propose a Director's written resolution
- 7.16 Notice of any such resolution must be given in writing to both Directors, containing details of the proposed resolution, time frame and manner of agreement required
- 7 17 Directors' resolutions may be adopted by the signature or otherwise formal acknowledgement in writing of both Directors

## **8 DELIVERY OF PROXY NOTICES**

- 8.1 The Company will receive proxy notices at its registered address or to both Directors at their current email addresses.
- 8 2 A proxy notice must be delivered not less than one hour before the start of the general meeting or adjourned meeting to which it relates
- 8 3 Directors may require the production of any evidence that they consider necessary to determine the validity of any proxy notice.
- 8 4 A proxy notice, not delivered in accordance with the terms of this article shall be invalid
- 8.5 The termination of authority for a person to act as proxy shall not invalidate their actions while appropriately appointed as such

**9. DIRECTORS' POWERS AND RESPONSIBILITIES**

- 9 1 The Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company
- 9 2 Shareholders may, by special resolution, direct the Directors to take or refrain from specified action
- 9.3 No special resolution or amendment to these articles invalidates prior actions of the Directors
- 9 4 Either Director, to the extent practicable, may delegate some of their powers and/or authorities to the other Director
- 9 5 The Directors may revoke any delegation
- 9.6 Any delegation will not affect the delegating Director's responsibility to ensure required tasks are fulfilled and the Company is properly managed

**10 DIRECTORS' INTERESTS**

- 10 1 A Director shall be authorised to continue to act as a Director of the Company notwithstanding that at the time of his appointment or subsequently he also:
- 10 1 1 Holds a Directorship with a wholly owned Affiliate,
- 10 1 2 Holds any other office, employment or engagement with any other company,
- 10 1 3 Participates in any scheme, transaction or arrangement for the benefit of current or former employees of any Company (including pension benefits, death in service, bonus or health insurance provisions); or
- 10 1 4 Is interested directly or indirectly in the share, debentures or other instruments of another company.
- 10 2 A Director shall be authorised to act or continue to act as a Director of the Company notwithstanding his role as a representative of any Shareholder that appointed him. In these circumstances, the Director may undertake all appropriate tasks with regard to managing the Company
- 10.3 A Director shall be under no duty to the Company with respect to any information he obtains or has obtained otherwise than as a Director of the Company
- 10 4 However, should any relationships outside of Company duties present a conflict of interest or possible conflict of interest, the Director must

disclose to and obtain agreement from the Company's Board of Directors and put in place suitable safe guards when conducting Company business

10 5 Subject to such a conflicts of interest disclosure and approval, the Director may

10 5 1 Be a party to, or otherwise be interest in, any transaction or arrangement with the Company or in which the Company is directly or indirectly interested,

10 5 2 May act by himself or through his firm in a professional capacity for the Company (otherwise than as an auditor), and in any such case on such terms as to remuneration and otherwise as the Directors may decide; or

10 5 3 May be a Director or other officer of, or employed or engaged by, or a party to any transaction or arrangement with, or otherwise be interested in, a body corporate in which the Company is directly or indirectly interested

## **11 DIRECTORS' REMUNERATION AND BENEFITS**

11.1 Where Directors are remunerated or receive benefits as a result of holding office or employment otherwise than with the Company, the Director in question shall not be accountable or liable to the Company for that remuneration

11.2 The Directors' sole responsibility in this regard is to monitor their existing and potential conflicts of interest, ensuring suitable disclosure and mitigation

## **12. DIRECTORS' DISCRETION**

12 1 Subject to these articles, the Directors may make any rules that they think reasonable regarding Company decision-making processes and associated record keeping and communications

## **13 APPOINTMENT OF DIRECTORS**

13 1 Unless otherwise determined by ordinary resolution, the number of Directors shall be two, made up of one A Director and one B Director.

13 2 Each A Director may at any time be removed from office by the holders of the A Shares

13 3 Each B Director may at any time be removed from office by the holders of the B Shares

13 4 A Director appointed by a class of Shareholders shall cease to be a Director from the date on which the Shareholders of the class at the time of his appointment cease to be Shareholders.

13.5 Any appointment or removal of a Director shall be made in writing to the Company and signed by either the A Shareholder appointing the A Director or the B Shareholder appointing the B Director (the "**Appointing Shareholders**") The appointment or removal shall to the extent permissible by law, take effect immediately

13.6 A director shall be authorised for the purposes of sections 173(2) and 175 of the Act to act or continue to act as a director of the Company notwithstanding his role as a representative of his Appointing Shareholder.

#### 14 **TERMINATION OF DIRECTOR'S APPOINTMENT**

14.1 A Director will be considered terminated as soon as.

14.1.1 Legal prohibition from holding a Directorship takes effect,

14.1.2 A bankruptcy order is made against him;

14.1.3 A registered GP gives a written opinion that he is physically or mentally incapable of acting as a Director and may remain so for more than 3 months;

14.1.4 A court order prohibits his performance of Director duties under reasons of mental health

14.1.5 He has for more than 6 months been absent without permission from Board of Directors' meetings and the remaining Directors resolve that he should cease to be a Director,

14.1.6 He is removed from office by notice of the Appointing Shareholder,

14.1.7 Notification of his resignation is received by the Company,

14.1.8 He becomes a Restricted Person

#### 15. **DIRECTORS' EXPENSES**

15.1 The Company may pay reasonable expenses which the Directors properly incur in connection with their attendance at

15.1.1 Meeting of Directors or committees of Directors,

15.1.2 General meetings, or

15.1.3 Separate meetings of holders of any class of Shares of the Company; or

15.1.4 Otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

- 15 2 Subject to the Act, the Directors shall have the power to make arrangements to provide a Director with funds to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him properly to perform his duties as an officer of the Company or to enable him to avoid incurring any such expenditure.

## 16 ADMINISTRATION ARRANGEMENTS

- 16.1 Notices shall be provided and deemed received in the following manner

16 1 1 A notice, document or information sent by post within the UK given to a Transmitttee or a Shareholder by one of the above deemed to have been given to, and received by, the intended recipient on the next business day after posting, if pre-paid as first class post

16 1 2 A notice, document or information sent by pre-paid airmail between different countries is deemed to have been given to, and received by, the intended recipient on the third business day after posting

16 1 3 A notice, document or information delivered by hand (including via courier) to the intended recipient's registered address or service address is deemed to have been given to, and received by, the intended recipient on the business day it is left, or if delivered on a day other than a business day, on the next business day after it was left

16 1 4 A notice, document or information sent by e-mail to an email address specified for the purpose by the intended recipient is deemed to have been given to, and received by, the intended recipient 24 hours after it was sent

16 1 5 A Shareholder present at a meeting shall be deemed to have received notice of the meeting.

16 1 6 A notice may be sent to an address or email provided for such purpose by the Transmitttee. Otherwise, the Company may provide notice to the Shareholder, on the understanding that his estate executors will be deemed to have received it.

- 16 2 The Directors may change the name of the Company.

- 16 3 The Directors must ensure that suitable written records of decisions are kept for a minimum of 10 years from the date of the decision, including Directors' and Shareholders' meetings resolutions

- 16 4 Except as provided by law or in any written agreement between the Shareholders, or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's

accounting or other records or documents by virtue of being a Shareholder

- 16 5 Upon liquidation of the Company, no Shareholder shall be compelled to accept any assets upon which there is an outstanding liability.

**17 INDEMNITY AND INSURANCE**

- 17 1 To the extent permitted by the Act, Directors and officers of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in relation to the Company or its affairs, provided that such indemnity shall not apply in respect of any liability incurred by him under the following circumstances

17 1 1 Liabilities owed between the Company and Affiliates;

17 1 2 Fines imposed by criminal proceedings,

17 1 3 Regulatory penalties;

17 1 4 Defending criminal proceedings in which he is convicted; in defending civil proceedings brought by the Company, or an Affiliate, in which judgement is given against him

- 17 2 To the extent permitted by the Act, the Directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is or was a Director of the Company, indemnifying him and keeping him indemnified against liability for default, breach of duty or breach of trust or other liability which may lawfully be insured against by the Company