

Company number 945131



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14/07/2018 #347
COMPANIES HOUSE

PRIVATE COMPANY LIMITED BY SHARES

COPY WRITTEN RESOLUTIONS

of

W. & G. FOYLE LIMITED ("the Company")

Passed on: 2018

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, Resolutions 1 was passed as an Ordinary Resolution and Resolutions 2 and 3 were passed as Special Resolutions on the 2018.

SPECIAL RESOLUTIONS

1. THAT, in accordance with section 551 of the Companies Act 2006 (CA 2006), the Directors of the Company be generally and unconditionally authorised to allot Ordinary and A shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (Rights) up to an aggregate nominal amount of £1050 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31st December 2018 save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority revokes and replaces all unexercised authorities previously granted to the Directors but without prejudice to any allotment of shares or grant of rights already made or offered or agreed to be made pursuant to such authorities

2. THAT, in accordance with paragraph 42(2)(b) of Schedule 2 of the Companies Act 2006 (Commencement No. 8, Transitional Provisions and Savings) Order 2008, the restriction on the authorised share capital of the Company is hereby revoked and deleted by the deletion of Article 3 of the Company's Articles of Association and the insertion of a new Article 3:

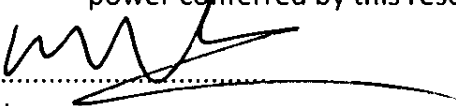
3. The share capital of the Company at the date of adoption of these Articles is divided into Ordinary Shares of £0.05 each and A Shares of £0.05 each.

and the regulations set forth in the printed document attached be adopted and approved as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association.

3. THAT, subject to the passing of resolution 1 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 1, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall

- 3.1 be limited to the allotment of equity securities up to an aggregate nominal amount of £1050; and

- 3.2 renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.


.....
Director

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

W & G FOYLE LIMITED

Registered Number: 00945131

(adopted by Special Resolution passed on 13 July 2018)

TOLHURST FISHER LLP



S O L I C I T O R S

Marlborough House
Victoria Road South
Chelmsford
Essex CM1 1LN
Tel: 0 (044) 1245 495111
Fax 0 (044) 1245 494771
www.tolhurstfisher.com

1. DEFINITIONS

In the interpretation of these Articles, unless the context otherwise requires, the following definitions shall apply:

"THE ACT" means the Companies Act 1985, as amended by the Companies Act 1989, and any statutory modification or re-enactment from time to time in force;

"A ORDINARY SHARE" means an A Ordinary Share of £0.05 in the ordinary share capital of the Company;

"A ORDINARY SHAREHOLDER" means a holder of an A Ordinary Share;

"FAMILY TRUSTS" means trusts (whether arising under a settlement or in testamentary disposition by whomsoever made or on an intestacy) of which the settlor is a member or deceased or former member and under which no immediate beneficial interest in the shares in question is for the time being vested in any person other than a particular member or deceased or former member and his Privileged Relations;

"FAMILY UNDERTAKING" means any undertaking (as defined in section 1161(1) of the Companies Act 2006) that is wholly owned by some combination of members, their Privileged Relations and Family Trusts;

"LEAVER" means any holder of A Ordinary Shares who is employed by the Company or any of its subsidiaries from time to time and who dies or who ceases to be an employee for any reason of any such company and does not continue (or is not immediately re-employed) as an employee of any other such company. In this definition any reference to the date of cessation of employment (or similar) shall be the date upon which the relevant person gives or is given notice of termination of his contract of employment and is no longer required to perform

his duties under his employment contract in respect of the Company or its subsidiaries;

“ORDINARY SHARE” means an Ordinary Share of £0.05 in the ordinary share capital of the Company;

“ORDINARY SHAREHOLDER” means a holder of an Ordinary” Share;

“PRIVILEGED RELATION” means a spouse of any Ordinary Shareholder and any lineal descendant of William Alfred Foyle;

“SHARES” means Ordinary Shares and A Ordinary Shares;

“SHAREHOLDER” means a holder of Shares;

“SUBSCRIPTION RIGHTS” mean rights to call for the allotment, issue or transfer of shares in the Company (whether under options, warrants, on conversion of any indebtedness or otherwise

“TABLE A” means Table A scheduled to the Companies (Tables A to F) Regulations 1985 as amended prior to the date of adoption of these Articles.

1.2 Any term or expression defined in the Act shall, unless the context otherwise requires, have the same meaning in these Articles.

1.3 The singular shall include the plural and vice versa.

1.4 The expression “shareholder” or “member” includes his personal representatives.

1.5 References to the masculine gender shall include the feminine gender.

2. TABLE A

The regulations contained in Table A shall apply to the Company save insofar as they are varied or excluded by or are inconsistent with these Articles. Regulations 26, 50, 62, 73-77 inclusive, 80 and 87 and the final sentence of regulation 112 shall not apply.

3. SHARE CAPITAL

The share capital of the Company at the date of adoption of these Articles is divided into Ordinary Shares of £0.05 each and A Ordinary Shares of £0.05 each.

4. RIGHTS OF THE ORDINARY SHARES AND THE A ORDINARY SHARES

As to income:

- 4.1 The Ordinary Shareholders and the A Ordinary Shareholders shall be entitled to receive any moneys paid by the Company by way of a dividend in proportion.

As to capital:

- 4.2 On a winding up or other return of capital the surplus assets of the Company available for distribution amongst its members shall be applied as set out in Article 5.

As to voting:

- 4.3 The Ordinary Shareholders shall exercise all voting rights in the Company save for those reserved to the A Ordinary Shareholders under Article 4.4.
- 4.4 The A Ordinary Shareholders shall not be entitled to receive notice of and/or to attend and speak at general meetings of the Company unless the Company has not paid a dividend on its due date within fourteen working days of the due date for payment, the A Ordinary Shareholders shall be entitled, in addition, and until payment, to attend and vote at any general meeting of the Company. On a show of hands each A Ordinary Shareholder present in person or by proxy shall have one vote and on a poll have one vote for every A Ordinary Share of which he is the holder.
- 4.5 In all respects the Ordinary Shares and the A Ordinary Shares shall be treated on a pari passu basis save for those provisions and exceptions set out in these Articles.

5. DISTRIBUTION

- 5.1 On a winding up or other return of capital (but not on the redemption or the purchase by the Company of its own shares) the assets of the Company available for distribution amongst its members shall be applied as follows:

firstly, the nominal amounts paid up on the Ordinary Shares;

secondly, the nominal amounts paid up on the A Ordinary Shares;

thirdly, a sum equal to any arrears of the dividend, down to the date of return of capital to be payable irrespective of whether or not that dividend has been declared or earned;

fourthly, the remaining assets of the Company available for distribution to the Ordinary Shareholders and the A Ordinary Shareholders in proportion.

6. ALLOTMENT

- 6.1 The Directors are generally and unconditionally authorised for the purpose of section 80 of the Act to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital with which the Company is incorporated at any time or times during the period of five years from the date of these Articles and the Directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution of the Company in general meeting.

7. LIEN

- 7.1 Without prejudice to the provisions of Regulation 8 of Table A the Company shall also have a first and paramount lien on all the shares registered in the name of any member for all moneys (whether presently payable or not) due to the Company from that member, whether the debt in respect of which the moneys are due was incurred before or after notice to the Company of any equitable or other interest of any person other than the member. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof. The Directors may wholly or partially exempt any share from the provisions of this article upon such terms as they may think fit.

8. TRANSFER OF ORDINARY SHARES

8.1 Unrestricted Transfers

The restrictions on transfer contained in these Articles shall not apply to:

- (a) a transfer approved in writing by all the Ordinary Shareholders; or
- (b) any transfer of Ordinary Shares by an Ordinary Shareholder to his Privileged Relations or Family Trust or Family Undertaking PROVIDED THAT if the holder is a member by virtue of one or more transfers pursuant to this Article 8.1(b) and:-
 - (i) the holder ceases to be a Privileged Relation of the original holder; or
 - (ii) the original holder and his Privileged Relations cease to have an immediate beneficial interest in the Family Trust or Family Undertaking;
or
 - (iii) the Family Undertaking ceases to be a Family Undertaking

then the holder's shares must be re-transferred at nil consideration to the original holder within 28 days of such event occurring failing which a Sale Notice as described in Article 8.3 will be deemed to have been served in respect of such shares and until such re-transfer has completed then the holder's shares shall not carry any votes or any entitlement to be notified of or attend any meeting of Ordinary Shareholders.

8.2 Transfer of a Majority Holding

- 8.2.1 In the event that the holder(s) of a majority of the Ordinary Shares ("the Seller") intends to sell all of his holding of shares in the Company ("Sale Shares") (or any interest in such shares) to a proposed purchaser(s) ("the Proposed Purchaser"), the Seller shall give to the Company not less than 28 days' advance notice before accepting such an offer for the Sale Shares. That notice ("the Intention to Sell Notice") will include details of the Sale Shares and the proposed price for each Sale Share to be paid by the Proposed Purchaser, details of the Proposed Purchaser and whether the offer is for the Seller's shares alone or for a greater number of shares. No disposition of Sale Shares can take place without the Seller first having complied with this Article.

- 8.2.2 Immediately upon receipt of the Intention to Sell Notice, the Company shall give notice in writing (an "Advice of Sale Notice") to each of the Shareholders (other than the Seller) (the "Other Shareholders") giving the details contained in the Intention of Sell Notice. The Other Shareholders who shall have the right exercisable within 21 days of the Advice of Sale Notice to either acquire all of the Seller's shares specified in that notice (but not less than) at the same price by a notice to purchase ("Notice to Purchase") (for the avoidance of doubt, the Sale Shares shall be accepted in the Notice to Purchase by the Other Shareholders as nearly as may be in proportion to their holding of shares in the Company as at the date of such notice), or, in the alternative, require the Seller to procure that the offer made for his shares shall be extended in accordance with clause 8.2.4, but if they do not exercise either right within the prescribed periods then such rights shall lapse and be extinguished.
- 8.2.3 If a Notice to Purchase is served by the Other Shareholders in accordance with Article 8.2.2, they shall a) with the Notice to Purchase, pay a deposit to the Seller equal to an amount of 5% of the value of the shares to be purchased and b) complete the purchase of such shares within 60 days of the date of the Notice to Purchase (time to be of the essence).
- 8.2.4 If so requested by notice served under 8.2.2 then prior to the Seller accepting an offer for his shares he shall procure that the Proposed Purchaser shall also offer to purchase each of the shares held by the Other Ordinary and A Ordinary Shareholders on the same terms as to price, security, consideration and otherwise as apply in relation to the offer made to the Seller.
- 8.2.5 The Seller may, unless the Other Shareholders have served a Notice to Purchase within the prescribed period, implement 'drag along rights' as follows namely:
- 8.2.5.1 Each of the Other Shareholders and the A Shareholders shall sell all of their shares in the Company on the terms set out in the Intention to Sell Notice. The terms and conditions in the Intention to Sell Notice will be deemed (upon expiry of the prescribed period as provided in clause 8.2.1) to be agreed and shall, save in the event of manifest error, thereupon become binding on the Other Shareholders and the A Shareholders for all purposes of this Article.
- 8.2.5.2 The Other Shareholders and the A Shareholders shall upon request by the Seller a) enter into a formal sale and purchase contract with the Proposed

Purchaser including such obligations as may be required and similarly entered into by the Seller b) deliver their share certificates and transfers thereof to the Proposed Purchaser upon payment of the price.

8.2.6 If following the issue of an Intention to Sell Notice in accordance with this Article 8.2.2, or there is an offer from a Proposed Purchaser to acquire control of the Company in accordance with this Article 8 or otherwise ("Offer"), upon any person (a "Rights Holder") subsequently acquiring or being issued with any interest in shares in the Company pursuant to the exercise of any Subscription Rights granted to or otherwise vested in that person prior to the date of the Offer, the Rights Holder shall be deemed to accept such Offer on the same terms as the Seller, and the 'drag along rights' set out in Article 8.2.5 shall apply mutatis mutandis to the Rights Holders, save that (for the avoidance of doubt) the Rights Holders shall not have the right to a prescribed period of 21 days of the Advice of Sale Notice to provide a Notice to Purchase, and such Rights Holder shall thereupon be bound to sell and transfer all such shares acquired by or issued to him to the Proposed Purchaser or as the Proposed Purchaser may direct.

8.2.7 Any director of the company may sign any document or agreement on behalf of the Rights Holder acting as agent necessary to give effect to this Article

8.3 Other Transfers and pre-emption Rights

Subject to the above, no Ordinary Shareholder shall be entitled to transfer any share or any interest in any Ordinary Share (within the meaning of Schedule 13 Part 1 and Section 324 of the Act) otherwise than in accordance with the following provisions:

8.3.1 No Ordinary Shareholder ("the Retiring Member") shall be entitled to transfer any Ordinary Shares whether by way of sale or otherwise (the "Sale Shares"), without first causing the same to be offered to the other Ordinary Shareholders at the Fair Value (as defined in Article 8.3.5).

8.3.2 In order to ascertain whether any other Ordinary Shareholders are willing to purchase the Sale Shares at the Fair Value, the Retiring Member shall give a notice in writing (a "Sale Notice") to the Company that he desires to sell his Ordinary Shares. Every Sale Notice shall specify the numbers of the Sale Shares which the Retiring Member desires

to sell, and shall constitute the Company the agent of the Retiring Member for the sale of such Sale Shares to the other Ordinary Shareholders at the Fair Value. No Sale Notice shall be withdrawn except with the express written permission of the Directors.

- 8.3.3 The Directors shall, with a view to finding Ordinary Shareholders willing to purchase the Sale Shares ("Purchasing Member(s)"), offer the Sale Shares to the persons then holding the remaining Ordinary Shares as nearly as may be in proportion to their holdings of Ordinary Shares and shall limit a time within which such offer, if not accepted, will be deemed to be declined; and the Directors shall make such arrangement as they shall think just and reasonable as regards the finding of Purchasing Members for the Sale Shares not accepted by Ordinary Shareholders to whom they shall in the first instance have been so offered as aforesaid.
- 8.3.4 If the Company shall within twenty-eight days after service of a Sale Notice find Purchasing Members in respect of all or any of the Sale Shares, it shall give notice to the Retiring Member and the Retiring Member shall be bound upon payment of the Fair Value to transfer his Sale Shares to such Purchasing Members, who shall be bound to complete the purchase within twenty eight days from the service of such last-mentioned notice.
- 8.3.5 The Fair Value of the Sale Shares shall be the fair price fixed by the auditors for the time being of the Company assuming a willing seller and a willing buyer as at the date of the Sale Notice but disregarding the fact that the Sale Shares may constitute either a minority or majority holding ("the Fair Value"). A decision of the Auditors (who shall act as experts and not arbitrators) in this respect shall be conclusive and binding on the Company and on all persons interested in the Sale Shares.
- 8.3.6 In the event of the Retiring Member failing to carry out the sale of any Sale Shares which he shall have become bound to transfer as aforesaid, the Directors may authorise any other Ordinary Shareholder to execute a transfer of the Sale Shares to the Purchasing Members and may give a good receipt for the purchase price of such Sale Shares, and may register the Purchasing Members as holders thereof and issue to them certificates for the same, and thereupon the Purchasing Members shall become indefeasibly entitled thereto. The Retiring Member shall in such case be bound to deliver up his certificate for the said Sale Shares, and on such delivery shall be entitled to receive the said purchase price, without interest, and if such certificate shall comprise any Sale Shares which he has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for such shares.

- 8.3.7 If the Directors shall not, within the space of twenty-eight days after service of a Sale Notice, find Purchasing Members for all of the Sale Shares comprised therein, or if, through no default of the Retiring Member, the purchase of any Sale Shares shall not be completed within twenty-one days after the service on the Retiring Member of the notice provided for by Article 8.3.4, the Directors shall offer the unsold Sale Shares to the Company subject to the Act and the other provisions of these Articles provided that any such re-purchase be completed within 6 weeks of the Sale Shares being so offered. If this right is not exercised within the 6 week period referred to the Retiring Member shall then be at liberty, subject to Article 8.3.9 to transfer to any person as he may wish (and, in the case of a sale, at any price) the Sale Shares in respect of which no Purchasing Member was found or in respect of which the sale was not completed as aforesaid.
- 8.3.8 The provisions of this Article shall apply mutatis mutandis to any person becoming entitled to an Ordinary Share in consequence of the death or bankruptcy of a member and who wishes either to transfer such share or himself to be registered in respect thereof.
- 8.3.9 Except in the case of a transfer to a Purchasing Member in accordance with these Articles, the Directors may, in their absolute discretion and without assigning any reason thereof, decline to register any transfer of any share, whether or not it is a fully paid share.
- 8.4 The provisions of this Article may be waived in any particular case if the Ordinary Shareholders holding 100% of the Ordinary Shares of the Company for the time being give their consent in writing.

9. TRANSFER OF A ORDINARY SHARES

- 9.1 No transfer of A Ordinary Shares is permitted other than in accordance with these Articles or with the written consent of the board of directors. In the event that a transfer is permitted, the provisions of clause 8.3 shall apply save that 'A Ordinary Shareholder' shall be substituted for 'Ordinary Shareholder' and 'A Ordinary Share' shall be substituted for 'Ordinary Share'.
- 9.2 In the event of an A Ordinary Shareholder becoming a Leaver, then within 6 weeks after such Shareholder becoming a Leaver the Directors shall serve notice on such A Ordinary Shareholder (or where the A Ordinary Shareholder is deceased his Legal

Personal Representatives) requiring such A Ordinary Shareholder (or his Legal Personal Representatives as the case may be) to offer the A Ordinary Shares to the Company at the Re-Purchase Price (as defined in Article 9.4) subject to the Act and the other provisions of these Articles provided that any such re-purchase be completed within 6 weeks of the A Ordinary Shares being so offered. In the event that the Company does not wish to exercise its right contained in this Article, the provisions of Article 8.3 shall apply mutatis mutandis (save that the provisions of Article 8.3.7 shall not apply).

- 9.3 Each A Ordinary Shareholder being a Leaver and who is also a director of the Company must resign as a director of the Company and of any subsidiary and/or holding company upon becoming a Leaver and agrees to appoint one of the other Directors as his true and lawful attorney to execute all such deeds or documents in connection with such resignation.
- 9.4 The Re-Purchase Price of the A Shares offered to the Company under Article 9.2 shall be calculated by valuing the Company at the lesser of 50% of the total annual sales or 10 times net pre-tax profits as shown by the accounts for the Company for the most recent accounting period, annualised if necessary, and applying a discount of 70% to reflect the minority status of the shareholding.

10. DIRECTORS

- 10.1 Unless otherwise determined by ordinary resolution the number of directors (other than alternate directors) shall be not more than seven.
- 10.2 At a meeting of the directors or of a committee of the directors a director shall be deemed to be present in person if and so long as he participates by means of a conference telephone or similar equipment.
- 10.3 A director appointed to fill a casual vacancy or as an addition to the board shall not retire from office at the annual general meeting next following his appointment. Regulations 78 and 79 of Table A shall be modified accordingly.
- 10.4 The office of director shall be vacated if the director, in the reasonable opinion of all his co-directors, becomes incapable by reason of mental disorder of discharging his duties as director. Regulation 81 of Table A shall be modified accordingly.

10.5 Directors shall not be required to retire by rotation and Regulations 73 to 80 of Table A shall not apply.

11. POWERS OF DIRECTORS

11.1 The Directors may sanction the exercise by the Company of all the powers of the Company to make provision for the benefit of persons (including Directors) employed or formerly employed by the Company or any subsidiary of the Company in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or any such subsidiary as are conferred by Section 719 of the Act and, subject to such sanction, the Directors may exercise all such powers of the Company.

11.2 In addition and without prejudice to the powers conferred by Regulation 70 of Table A, the Directors may exercise all of the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and to mortgage or charge its undertaking property and uncalled capital or any part thereof and, subject to Section 80 of the Act, to issue debentures and debenture stock, whether outright or as security for any debt, liability or obligation of the Company or of any third party

12. GENERAL MEETINGS

12.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. A quorum shall be at least two members present in person or by proxy. If such quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned until the same day in the next week at the same time and place or at such time and place as the directors may specify by not less than one weeks notice given to all members of the Company and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.

12.2 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands each member present in person shall have one vote and on a poll each member present in person or by proxy

shall have one vote for every £0.05 in nominal amount of the shares held by him. A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly.

- 12.3 A resolution in writing executed or approved by e-mail or, telefax by or on behalf of the holders of all the issued share capital entitled to vote, shall be as valid and effectual as if the same had been duly passed at a general meeting and may consist of several documents in the like form, each executed by or on behalf of one or more persons. In the case of a corporation, a resolution may be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 shall be modified accordingly.

13. DIVIDENDS

- 13.1 The Company may pay dividends out of the net profits and other distributable reserves of the Company to the Ordinary Shareholders and A Ordinary Shareholders as the directors elect in their absolute discretion pro rata to each of their shareholdings. The directors may deduct from any dividend payable to any members all sums of money (if any) presently owing by him to the Company.

14. THE SEAL

- 14.1 Regulation 101 of Table A shall only apply if the Company has a common seal. Whether it does or not, a share certificate may be executed under section 36A(4) of the Act instead of being sealed.

15. INDEMNITY

- 15.1 Subject to the provisions of the Act, and without prejudice to the provisions of Regulation 118 of Table A, every Director or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses or liabilities incurred by him in the execution or discharge of his duties or in relation thereto. The Company may purchase and maintain for any such officer or Auditor insurance against any liability which by virtue of any rule of law may attach to

him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.