

COMPANY NUMBER: 05486353

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

OF

KIRIL MISCHEFF (TRADING) LIMITED (Company)

Circulation Date *30 June* 2014

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolutions below are passed as special resolutions (**Resolutions**).

SPECIAL RESOLUTIONS

1 THAT the terms of a contract proposed to be made between the Company and Trevor Anthony Davies for the purchase by the Company of 75,000 ordinary shares of 10 pence each in the capital of the Company for a total consideration to be determined in accordance with the contract attached (**Purchase Contract**) be approved and the Company be authorised to enter into the Purchase Contract

2 Each shareholder consents to the Purchase Contract for all purposes including the Articles of Association, Companies Act 2006 and a Shareholders Agreement dated 29 October 2010 and waive any rights they may have whatsoever in order to give effect to the Purchase Contract.

AGREEMENT

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

The undersigned, a person entitled to vote on the above Resolutions on *30 June* 2014, hereby irrevocably agrees to the Resolutions



DATED 26th JUNE 2014

OFF-MARKET PURCHASE AGREEMENT

MADE BETWEEN

TREVOR ANTHONY DAVIES

and

KIRIL MISCHEFF (TRADING) LIMITED

Protection House
16-17 East Parade
Leeds
LS1 2BR

hlw
Keeble
Hawson
Solicitors

COMPANIES HOUSE

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THIS AGREEMENT is dated 30th June 2014

BETWEEN:

- (1) **TREVOR ANTHONY DAVIES** of 6 Amherst Road, Hastings, East Sussex, TN34 1TT ("**Seller**"), and
- (2) **KIRIL MISCHEFF (TRADING) LIMITED** incorporated and registered in England and Wales with company number 05486353 whose registered office is at Broadwall House, 21 Broadwall, London, SE1 9PL ("**Company**")

BACKGROUND.

- (A) The Seller is the registered holder of 75,000 ordinary shares of 10 pence each in the capital of the Company ("**Shares**" and each, a **Share**)
- (B) It is proposed that the Company shall purchase the Shares from the Seller for cancellation on the terms of this agreement

WHEREBY it is agreed as follows

1 INTERPRETATION

- 1.1 The definitions and rules of interpretation in this clause and in the background section (above) shall apply in this agreement.

"Accounting Standards" means generally accepted accounting principles, policies, standards and practices applied in the UK as at the date of this agreement, including Statements of Standard Accounting Practice, Financial Reporting Standards (other than FRS 100, FRS 101, FRS 102 and FRS 103) and Urgent Issues Task Force Abstracts issued by the Financial Reporting Council (and, for the avoidance of doubt, excluding International Accounting Standards and International Financial Reporting Standards issued by the International Accounting Standards Board)

"Board" means the board of directors of the Company as constituted from time to time

"Business Day" means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business

"Completion Accounts" means the consolidated profit and loss account and balance sheet for the Company and the Subsidiaries for each relevant Tranche Period to be prepared and agreed or determined (as the case may be) in accordance with Schedule 1

"Encumbrance"	means any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement
"Net Asset Value"	means the consolidated fixed and current assets of the Company (including Subsidiaries) less all liabilities and provisions as derived from the Completion Accounts
"Net Assets Value Statement"	means a statement setting out the amount of the Net Assets Value as derived from the Completion Accounts, as prepared and agreed or determined in accordance with Schedule 1.
"Subsidiary"	means a holding a subsidiary as defined in section 1159 of the Companies Act 2006

- 1 2 Clause headings shall not affect the interpretation of this agreement
- 1.3 A person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's personal representatives, successors and permitted assigns
- 1 4 A reference to a party shall include that party's personal representatives, successors and permitted assigns.
- 1 5 A reference to "writing" or "written" includes fax but not e-mail (unless otherwise expressly provided in this agreement).
- 1 6 References to clauses are to the clauses of this agreement

2 **SHAREHOLDER APPROVAL**

The sale and purchase of the Shares in accordance with clause 3 is conditional on a resolution of the Company being passed approving the terms of this agreement ("**Shareholder Approval**") If Shareholder Approval is not granted on or before 31 July 2014, this agreement shall cease to have effect immediately after that date and time.

3 **SALE AND PURCHASE OF SHARES**

- 3.1 The Seller agrees to sell, or procure the sale of, the Shares free from Encumbrances for a consideration to be determined in accordance with this clause 3 and Schedule 1 and the Company agrees to purchase them and to pay such consideration to the Seller.
- 3 2 The Seller warrants to the Company that he is the sole legal and beneficial owner of the Shares and is entitled to transfer the legal and beneficial title to the Shares to the Company free from all Encumbrances, without the consent of any other person

3.3 Each party warrants to the other that it has the requisite power and authority to enter into and perform this agreement, and it constitutes valid, legal and binding obligations on that party in accordance with its terms.

3.4 Completion of the sale and purchase of the Shares shall take place immediately after Shareholder Approval has been granted in accordance with clause 2 at the offices of the Company in the following tranches and dates

3.4.1 37,500 Shares of 10 pence each in the capital of the Company (**First Tranche Shares**) for a consideration to be calculated in accordance with Schedule 1, and

3.4.2 37,500 Shares of 10 pence each in the capital of the Company (**Second Tranche Shares**) for a consideration to be calculated in accordance with Schedule 1

On each payment date set pursuant to clauses 3.4.1 and 3.4.2 (and determined in accordance with Schedule 1) the Seller shall deliver a duly executed instrument of transfer of the First Tranche Shares and/or Second Tranche Shares in favour of the Company and the share certificate(s) or other evidence of title to the First Tranche Shares and/or Second Tranche Shares to the Company and the Company shall satisfy its obligation to pay the consideration due in respect of the First Tranche Shares and/or Second Tranche Shares by payment of each sum set out in clauses 3.4.1 and 3.4.2 (and determined in accordance with Schedule 1) to the Seller by way of telegraphic transfer for same day value to the Seller's account at

Bank: HSBC Bank Plc
Branch: St Leonards-on-Sea
Sort Code: 40-40-09
Account Number: 81047396
Name: Mr T A and Mrs M Davies

4 **FURTHER ASSURANCE**

The Seller shall promptly execute and deliver such documents, perform such acts and do such things as the Company may require from time to time for the purpose of giving full effect to this agreement

5 **ASSIGNMENT**

Neither party shall assign, transfer, mortgage, charge, declare a trust of, or deal in any other manner with any of its rights and obligations under this agreement.

6. **ENTIRE AGREEMENT**

This agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous discussions, correspondence, negotiations, drafts, agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter

7 COSTS AND STAMP DUTY

Each party shall bear its own costs arising out of the negotiation, preparation and execution of this agreement. All stamp duty (including fines, penalties and interest) that may be payable on or in connection with this agreement and any instrument executed under this agreement shall be born by the Company.

8. VARIATION AND WAIVER

8.1 No variation of this agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives)

8.2 No failure or delay by a party to exercise any right or remedy provided under this agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy. A waiver of any right or remedy under this agreement or by law is only effective if it is in writing.

9. NOTICES

9.1 A notice given to a party under or in connection with this agreement

9.1.1 shall be in writing and in English;

9.1.2 shall be sent to the relevant party for the attention of the contact and to the address (or such other address as that party may notify to the other) set out in this agreement;

9.1.3 shall be:

9.1.3.1 delivered by hand; or

9.1.3.2 sent by pre-paid first class post, recorded delivery or special delivery

9.2 Delivery of a notice is deemed to have taken place (provided that all other requirements in this clause have been satisfied):

9.2.1 if delivered by hand, on signature of a delivery; or

9.2.2 if sent by pre-paid first class post, recorded delivery or special delivery to an address in the UK, at 9.00 am on the Business Day after posting; or

9.2.3 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting.

10. COUNTERPARTS

10.1 This agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

11 **GOVERNING LAW AND JURISDICTION**

- 11 1 This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.
- 11 2 Each party irrevocably agrees that the courts of England and Wales shall have non-exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims)

This agreement has been entered into on the date stated at the beginning of it

Schedule 1

Consideration

- 1.1 The Company shall pay to the Seller an amount equal to 7.5% of the Net Asset Value of the Company in each period set out below

1.1.1 7.5% of the Net Asset Value of the Company (**First Tranche Payment**) as calculated in accordance with the Completion Accounts from the period 1 October 2013 to 31 March 2014 Shares (**First Tranche Period**) for the First Tranche Shares (and any discretionary amounts approved by a majority of the Board), and

1.1.2 7.5% of the Net Asset Value of the Company (**Second Tranche Payment**) as calculated in accordance with the Completion Accounts from the period 1 October 2014 to 31 March 2015 (**Second Tranche Period**) for the Second Tranche Shares (and any discretionary amounts approved by a majority of the Board);

(and **First Tranche Period** and **Second Tranche Period** together being the **Tranche Period(s)**).

- 1.2 The First Tranche Payment and the Second Tranche Payment (**Tranche Payment(s)**) shall be agreed or determined (as the case may be) in accordance with the provisions of paragraph 2 and paragraph 3 of this Schedule

2. Agreement of Tranche Payments

- 2.1 The Company shall procure that the relevant Completion Accounts and Net Asset Value Statement are prepared as soon as practicable after the end of each relevant Tranche Period

- 2.2 As soon as reasonably practicable and in any event within 20 Business Days after the end of a Tranche Period, the Company shall deliver to the Seller a copy of such Completion Accounts and Net Asset Value Statement

- 2.3 The Seller shall, within 20 Business Days from receipt of the Completion Accounts and Net Asset Value Statement for each Tranche Period ("**Review Period**"), deliver to the Company a written notice stating whether or not the Seller approves the Completion Accounts and/or Net Asset Value Statement. If the Seller fails to provide such written confirmation within the Review Period he shall be deemed to have accepted and approved the Completion Accounts and Net Asset Value Statement. If the Seller confirms his agreement within the First Review Period then the said Completion Accounts and Net Asset Value Statement shall be deemed to have been agreed and accepted.

- 2.4 In the event that any Seller confirms in writing that he does not agree or approve the Completion Accounts and/or the Net Asset Value Statement ("**Objection Notice**") within the Review Period then the Company and the Seller, shall use their reasonable endeavours within a further period of 20 Business Days ("**Second Review Period**") following the issue of an Objection Notice to try and agree and resolve any matters in dispute and any agreed adjustments or amendments to be made to the Completion Accounts and/or Net Asset Value Statement. If all outstanding matters are so agreed or resolved between the Company and the Seller, within the Second Review Period, then the Completion Accounts and/or Net Asset

Value Statement as so adjusted or amended shall be deemed to have been agreed and accepted.

3. Expert Determination

- 3 1 If upon expiry of the Second Review Period the Completion Accounts and/or Net Asset Value Statement has not been agreed or approved by the Seller then the matters in dispute shall be referred to an independent firm of accountants ("**Independent Expert**") for determination appointment by agreement between the Company and the Seller within a period of 10 Business Days following the expiry of the Second Review Period or failing agreement by the President of the Institute of Chartered Accountants in England and Wales on the application of the Company or the Seller, whose decision shall be final and binding (except in the case of manifest error) and whose costs shall be borne by equally between the parties
- 3 2 The parties shall fully co-operate and provide all help, advice and assistance and provide such information and documentation to the Independent Expert and respond to any verbal or written request of the Independent Expert. The parties shall procure that the Independent Expert (and the Company shall provide the same to the Seller promptly upon written request) shall be given full, open and unrestricted access to inspect and take copies of all the books and records, accounts of, and to interview and speak with any personnel or staff and shall be provided with all such information, documentation as they may request for the purpose of their investigation, review and assessment of the Completion Accounts and/or Net Asset Value Statement
- 3 3 Upon determination of the matters in dispute by the Independent Expert the parties shall instruct the Company's accountants (if needed) to make any necessary adjustments and amendments to the draft Completion Accounts and/or Net Asset Value Statement arising as a result of the determination and the Completion Accounts and/or Net Asset Value Statement as determined by the Independent Expert (with any such adjustments or amendments if required) shall be deemed to have been agreed and accepted by all of the parties

4. Payment of the Tranche Payment(s)

- 4 1 The Company shall pay each Tranche Payment to the Seller in cash within 10 Business Days of the first of the following to occur
- 4 1 1 30 June of each year with regard to each respective Tranche Period;
- 4 1 2 the Seller accepts, or is deemed to have accepted, the Net Asset Value Statement relating to that relevant Tranche Payment in accordance with paragraph 2 3 of this Schedule, or
- 4 1 3 the parties agree in writing all disputed matters relating to the preparation of the relevant Tranche Payment and the resulting calculation of the Tranche Payment, or
- 4 1 4 the parties receive notice of the Independent Expert's determination of that relevant Tranche Payment in accordance with paragraph 3 of this Schedule

5. Seller's Protection

- 5.1 The Company acknowledges that the Seller has a legitimate interest in ensuring that the Net Asset Value is as high as may fairly be achieved by the Company (having due regard to the

Company's legitimate interest in establishing a stable and secure business for the long term) Accordingly, the Company undertakes with the Seller that from the period commencing on Completion and ending on the expiry of the Second Tranche Period

5.1.1 it will use all reasonable endeavours to promote the business of the Business,

5.1.2 it will not deliberately do anything with the intention of reducing the Net Asset Value nor unfairly or deliberately prejudice the rights of the Company to the Tranche Payments;

5.1.3 it will not transfer, divert or direct the custom of any customer, client or supplier of the Business elsewhere from the Company or seek to do so;

5.1.4 it will not sell or procure the sale or otherwise dispose of the whole or any substantial part of the business, undertaking or assets (other than current assets disposed of in the normal course of business) of the Company unless previously agreed in writing by the Seller;

5.1.5 it will procure that the Company makes no material adverse alteration in the nature or scope of its business

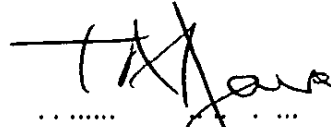
6. Basis for preparing the Completion Accounts

6.1 The Completion Accounts shall be prepared on the following basis, and in the order of priority shown below:

6.1.1 by applying the same accounting principles, policies, standards and practices, with consistent classifications, judgements, valuation and estimation techniques, as were used historically by the Company preparing its accounts,

6.1.2 to the extent not provided for in paragraph 6.1.1 above, in accordance with the Accounting Standards

Signed by **TREVOR ANTHONY DAVIES**



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Signed by



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for and on behalf of **KIRIL MISCHEFF** Director
(TRADING) LIMITED

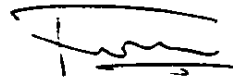
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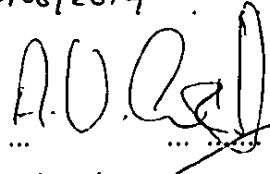
Signed by John Ian Bowler



Date:

30/06/2014

Signed by Andrew Victor Charlton

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Date:

30/06/2014

Signed by Charles Green

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Date:

30/06/2014

Signed by Matthew Kenneth Law Jackson

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Date:

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Signed by Ian Rowland Marlow

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Signed by Valarie Gweneth Morrell

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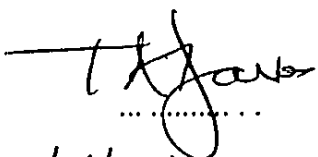
Signed by William Richard Skidmore Neill

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Date

30/06/2014

Signed by Trevor Anthony Davies

..  ..
Date 30/06/2014

NOTES

1. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

By Hand: delivering the signed copy to Alan Smith of Broadwall House, 21 Broadwall, London, SE1 9PL

Post: returning the signed copy by post to Alan Smith of Broadwall House, 21 Broadwall, London, SE1 9PL.

E-mail: by attaching a scanned copy of the signed document to an e-mail and sending it to alan.smith@kiril-mischeff.com. Please enter "Written Resolutions dated 30 June 2014" in the e-mail subject box

If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.

3. Where, by 30 June 2014, insufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please indicate your agreement and notify us as soon as possible.

4. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.