

Company No. 07362460

THE COMPANIES ACT 2008

PRIVATE COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION**

of

**BOUTIQUE MODERN LIMITED**



**1 PRELIMINARY**

- 1.1 In these articles "**Model Articles**" means the model articles set out in Schedule I to the Companies (Model Articles) Regulations 2008 as in force on the date when these articles become binding on the company. The articles contained in the Model Articles shall, except where they are excluded or modified by these articles, apply to the company.
- 1.2 Modal Articles 2,12(4), 14, 15, 26(5), 52 and 53 shall not apply to the company but the articles hereinafter contained and the remaining articles of the Modal Articles, subject to the modifications hereinafter expressed, shall constitute the articles of the company.
- 1.3 Save as expressly stated otherwise, words and expressions defined in the Modal Articles shall (unless the context otherwise requires) bear the same meaning in these articles. The headings are inserted for convenience only and shall not affect the construction of these articles.

**2 OBJECT OF THE COMPANY**

- 2.1 The object of the Company is to promote the success of the Company;  
(i) for the benefit of its members as a whole; and  
(ii) *through* its business and operations, to have a material positive impact on (a) society and (b) the environment, taken as a whole.
- 2.2 a) the likely consequences of any decision of the Directors in the long term and the impact any such decision may have on any affected stakeholders,  
b) the interests of the Company's employees,  
c) the need to foster the Company's business relationships with suppliers, customers and others,  
d) the impact of the Company's operations on the community and the environment and on affected stakeholders,  
e) the desirability of the Company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders, and

f) the need to act fairly as between members of the Company,

(together, the matters referred to above shall be defined for the purposes of this Article as the "Stakeholder Interests" and each a "Stakeholder Interest").

- 2.3 For the purposes of a Director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the Company, a Director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other.
- 2.4 Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).
- 2.5 The Directors of the Company shall, for each financial year of the Company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the Company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the Company has promoted its success for the benefit of its members as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole. If the Company is also required to prepare a strategic report under the Companies Act 2006, the Company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.

### **3 LIABILITY OF MEMBERS**

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

### **DIRECTORS**

#### **4 CHANGE OF NAME**

- 4.1 Subject to the provisions of these articles, the directors may, by way of a resolution passed at any meeting of the board, change the name of the Company.

#### **5 CHAIRING OF DIRECTORS MEETING**

- 5.1 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors may appoint one of themselves to chair it.

#### **6 ALTERNATE DIRECTORS**

- 6.1 Any director (other than an alternate director) may at any time appoint any other director or any other person who is willing to act to be his alternate director. Any director may at any time remove from office an alternate director appointed by him.
- 6.2 An alternate director shall (subject to his giving the company an address

for the purpose of communications in electronic form at which notices may be served on him) be entitled to receive notice of all meetings of the directors and of committees of which his appointor is a member and (in the absence of his appointor) to attend and vote as a director and be counted in the quorum at any such meeting and generally (in the absence of his appointor) to perform all the functions of his appointor as a director.

- 6.3 An alternate director may represent more than one director. An alternate director shall have one vote for each director for whom he acts as alternate (in addition, if he is a director, to his own vote) but he shall count as only one for the purpose of determining whether a quorum is present.
- 6.4 An alternate director shall not be entitled to receive any remuneration from the company in respect of his appointment as an alternate director except only such part (if any) of the remuneration otherwise payable to his appointor as his appointor may by notice in writing to the company from time to time direct.
- 6.5 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the company and to be repaid expenses and to be indemnified to the same extent as the were a director.

## **7 APPOINTMENT AND REMOVAL OF DIRECTORS BY MAJORITY**

- 7.1 Any member holding, or any shareholders holding in aggregate, more than one half of the issued ordinary shares of the company shall have the power from time to time and at any time to appoint any person to be a director (either to fill a vacancy or as an additional director) and to remove from office any director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing delivered to the office and signed by the member or shareholders appointing or removing such director or in the case of a member being a corporation signed on its behalf by one of its directors or its secretary or by its duly appointed attorney or duly authorised representative and shall take effect immediately upon delivery to the office.

## **8 DIRECTORS' GRATUITIES AND PENSIONS**

- 8.1 The directors may exercise all the powers of the company to provide benefits whether by the payment of gratuities, pensions or other retirement, superannuation, death or disability benefits of any kind or other allowances or benefits to any individuals (including their relations, dependants and people connected with them) who are or were at any time directors of the company or any body corporate which is or has been a subsidiary of the company or a predecessor in business of the company or any such subsidiary. The directors may contribute to any fund or scheme and pay premiums to a third party for the purchase or provision of any such benefit.
- 8.2 A director or former director shall not be accountable to the company or the shareholders for any benefit of any kind conferred under or pursuant to this article 7.

## **9 DIRECTORS' POWERS TO AUTHORISE CONFLICTS OF INTEREST**

- 9.1 The board of directors shall, for the purposes of section 175 of the Companies Act 2006, have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section 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.
- 9.2 Authorisation of a matter under this article 8 shall be effective only if:
- (a) any requirement as to the quorum at the meeting of the board at which the matter is considered is met without counting the director in question and any other interested director (together the "**interested directors**"); and
  - (b) the matter was agreed to without the interested directors voting or would have been agreed to if the votes of the interested directors had not been counted.
- 9.3 Any authorisation of a matter under this article 8:
- (a) may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
  - (b) shall be subject to such conditions or limitations as the board may determine, whether at the time such authorisation is given or subsequently;
  - (c) may be terminated or suspended by the board at any time, provided always that any such termination or suspension or the imposition of any such conditions or limitations will not affect anything done by the director concerned prior to such event in accordance with the relevant authorisation
- 9.4 A director shall comply with the terms of any such authorisation and with any policies or procedures dealing with conflicts of interest which are from time to time approved by the board.
- 9.5 Articles 8.1 to 8.4 (inclusive) shall not apply to any interest permitted under article 9.

## **10 DIRECTORS' PERMITTED INTERESTS**

- 10.1 Subject to compliance with article 9.3 a director notwithstanding his office may:
- (a) be a party to, or otherwise interested in, any proposed or existing contract, transaction or arrangement with a relevant company;
  - (b) hold any other office or place of profit with any relevant company (except that of auditor) in conjunction with his office of director on such terms, including as to remuneration, as the directors may determine;
  - (c) alone, or through a firm with which he is associated, do paid professional work (except as auditor) for any relevant company

and be entitled to remuneration for professional services as if he were not a director;

- (d) be a director or other officer or trustee or representative of, employed by, a partner or a member of, or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested in, any relevant company;
- (e) have any interest which has been authorised by an ordinary resolution of the company, subject to any terms or conditions applicable to such authorisation under or pursuant to such resolution.

10.2 For the purposes of article 9.1 a "**relevant company**" means:

- (a) the company; or
- (b) any other body corporate promoted by the company or in which the company is otherwise interested.

10.3 Subject to article 9.4, a director shall declare the nature and extent of any interest permitted under article 9.1 at a meeting of the board or in the manner set out in section 184 or section 185 of the Companies Act 2006 (irrespective of whether the interest is in a transaction or arrangement with the company and whether he is under a duty under the Companies Act 2006 to make such a declaration) or in such other manner as the board may lawfully determine.

10.4 No declaration of an interest shall be required by a director.

- (a) in relation to an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (b) in relation to an interest of which the director is not aware or where the director is not aware of the contract, transaction or arrangement in question (and for these purposes, the director concerned is treated as aware of anything of which he ought reasonably to be aware);
- (c) if, or to the extent that, the other directors are already aware of such interest (and for these purposes, the other directors are treated as aware of anything of which they ought reasonably to be aware); or
- (d) if, or to the extent that, it concerns the terms of his service contract.

10.5 If a director has an interest which is permitted under Article 9.1 he shall comply with any policies or procedures dealing with conflicts of interest and with any specific terms relating to that director which are (in each case) from time to time approved by the board.

**11 PROVISIONS APPLYING TO AUTHORISED CONFLICTS AND PERMITTED INTERESTS**

- 11.1 A director shall not by reason of his holding office as director (or of any fiduciary relationship established by holding that office), be accountable to the company for any benefit, profit or remuneration which he or any person connected with him derives from any matter authorised under article 8 or any interest permitted under article 9.
- 11.2 No contract, transaction or arrangement relating to any matter authorised under article 8 or any interest permitted under article 9 shall be liable to be avoided by virtue of such authorised matter or permitted interest.
- 11.3 Subject to any terms imposed by the board and/or to any policies or procedures dealing with conflicts of interests which are from time to time approved by the board, a director shall be under no obligation to disclose to the company any information which he obtains or has obtained otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person in relation to any matter authorised under article 8 or any interest permitted under article 9.
- 11.4 Article 10.3 is without prejudice to any equitable principle or rule of law which may excuse a director from disclosing information where these articles would otherwise require him to do so.

**12 PROCEEDINGS OF DIRECTORS**

- 12.1 Subject to any terms imposed by the board and/or to any policies or procedures dealing with conflicts of interests which are from time to time approved by the board, a director.
- (a) shall be counted in the quorum for and shall be entitled to attend and vote at any meeting of the board in relation to:
- (i) any proposed or existing contract, transaction or arrangement with the company in which he is interested and which is permitted under article 9.1 (a)
- (ii) any resolution relating to a matter authorised under article 8 or any interest which is permitted under article 9.1; and/or
- (b) may, where he reasonably believes that any actual or potential conflict of interest arising out of any matter authorised under article 8 or any interest permitted under article 9 exists:
- (i) absent himself from any meeting of the board (or part of any meeting) at which any such matter or interest will or may be discussed; and/or
- (ii) make arrangements not to receive or review documents or information relating to any such matter or interest

and/or for such documents or information relating to any such matter or interest to be received and reviewed by a professional adviser.

## **SHARES**

### **13 TRANSFER OF SHARES**

- 13.1 The directors may, in their absolute discretion decline to register any transfer of any share, whether or not it is a fully paid share.

## **DECISION - MAKING BY SHAREHOLDERS**

### **14 PROCEEDINGS AT GENERAL MEETINGS**

- 14.1 Model Article 41(1) shall be modified by the insertion at the end of that regulation of the following sentence: "If at any adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding that meeting, the meeting shall be dissolved.".
- 14.2 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote. Model Article 44 shall be modified accordingly.

## **ADMINISTRATIVE ARRANGEMENTS**

### **15 NOTICES**

- 15.1 If a notice or other document is sent by post, it shall be deemed to have been served or delivered twenty-four hours after it was posted or (where second class post is used) forty-eight hours after it was posted. Proof that an envelope containing the notice or document was properly addressed, stamped and put into the post shall be conclusive evidence that the notice was given. Any notice or other document not sent by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered when it was so delivered or left. A notice or other document sent in electronic form shall be deemed to have been served or delivered at the time it was sent. Proof that a notice or other document in electronic form was sent in accordance with guidance issued from time to time by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice **was given**.

### **16 RIGHT TO INDEMNITY**

- 16.1 If and only to the extent permitted by law, but without prejudice to any indemnity to which a director or other officer (excluding an auditor) may otherwise be entitled, the company may, if the board so determines, indemnify out of its own funds:
- (a) every director or other officer (excluding an auditor) of the company or any associated company against all costs, charges, losses, expenses and liabilities incurred by him:
  - (i) in connection with any negligence, default, breach of duty or breach of trust by him in relation to the company;

- (ii) in performing his duties; and/or
  - (iii) in exercising his powers; and/or
  - (iv) in claiming to perform his duties or exercise his powers; and/or
  - (v) otherwise in relation to or in connection with his duties, powers or **office; and**
- (b) every director of the company where the company acts as a trustee of an occupational pension scheme against any liability incurred in connection with the company's activities as a trustee of such scheme.

## 17 INSURANCE

- 17.1 If and only to the extent permitted by law, but without prejudice to the power contained in article 15, the directors may purchase and maintain at the expense of the company insurance for or for the benefit of any persons who are or were at any time directors, officers (excluding auditor) or employees of the company or any related company or trustees of any pension fund or employees' share scheme in which any employees of the company or any related company are interested.
- 17.2 In this article "**related company**" means (i) any body (whether incorporated or not) in which the company has or had any kind of interest (whether direct or indirect) or (ii) any body (whether incorporated or not) which is associated or connected in any way with the company, or (iii) any predecessors in business of the company or any other body referred to in this article 16.2.

## 18 FUNDS TO MEET EXPENDITURE

- 18.1 The company (to the extent permitted by law):
- (a) may provide a director or officer (excluding auditor) or a former director or officer (excluding auditor) of the company with funds to meet expenditure incurred or to be incurred by him:
    - (i) in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the company; or
    - (ii) in connection with any application for relief under any of the provisions mentioned in section 205(5) of the Companies Act 2006; or



• **Annex A**

- (iii) in defending himself in any investigation by a regulatory authority or against action proposed to be taken by a regulatory authority, in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the company; or
  - (b) may do anything to enable a director or officer (excluding auditor) or a former director or officer (excluding auditor) of the company or of its holding company to avoid incurring such expenditure.
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Dated: 6<sup>th</sup> July 20