

Company Number: SC132250

The Companies Act 2006

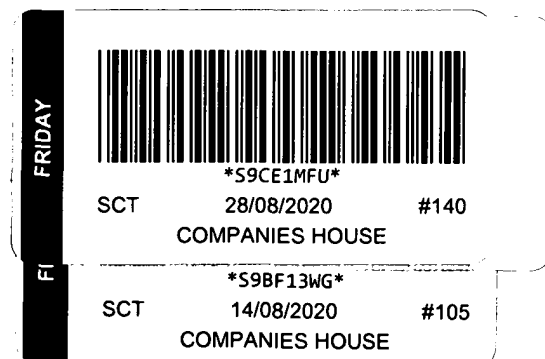
Private Company Limited by Shares

## ARTICLES OF ASSOCIATION

of

GRAND PRODUCTIONS LIMITED

Incorporated on 5th June 1991



## Introduction

### 1. Interpretation

1.1. In these Articles, unless the context otherwise requires:

**Act:** means the Companies Act 2006;

**Appointor:** has the meaning given in article 9.1;

**Articles:** means the company's articles of association for the time being in force;

**Business day:** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

**Conflict:** has the meaning given in article 7.1;

**Eligible director:** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter); and

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

**Working day:** means the normal working hours and working day to which the business operates, as may be set by the company from time to time – and in the absence of any express designation, shall mean 9am to 5pm, Monday to Friday.

1.2. Save as otherwise specifically provided in these Articles, words and expressions that have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions that have particular meanings in the Act shall have the same meanings in these Articles.

1.3. Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4. A reference in these Articles to an 'article' is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.5. Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:

- a. any subordinate legislation from time to time made under it; and
- b. any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation that it amends or re-enacts.

1.6. Any phrase introduced by the terms 'including', 'include', 'in particular' or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

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

1.8. Articles 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the company.

1.9. Article 7 of the Model Articles shall be amended by:

- a. the insertion of the words 'for the time being' at the end of article 7(2)(a); and
- b. the insertion in article 7(2) of the words '(for so long as he remains the sole director)' after the words 'and the director may'.

1.10. Article 27(3) of the Model Articles shall be amended by the insertion of the words ', subject to article 9,' after the word 'But'.

1.11. Article 29 of the Model Articles shall be amended by the insertion of the words ', or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2),' after the words 'the transmittee's name'.

## **Directors**

### **2. Unanimous decisions**

2.1. A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

2.2. Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.

2.3. A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

### **3. Proceedings of directors**

Article 9(3) of the Model Articles shall be amended by the addition of the following sentence:

'It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom, unless they have given to the Company an address outside the United Kingdom to which notices should be sent.'

### **4. Quorum**

4.1. Subject to Article 4.2 below, the quorum for the transaction of business at a meeting is any two eligible directors.

4.2. If there is only one eligible director, due to a director's conflict, the quorum for such a meeting shall be one.

4.3. If the total number of directors in office for the time being is less than the quorum required, the directors must not make any decision other than:

- a. to appoint further directors; or
- b. to call a general meeting so as to enable the shareholders to appoint other directors.

## **5. Casting vote**

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall have a casting vote (unless the chairman or other director is not an eligible director for the purpose of the meeting – in which case, this clause 5 shall not apply) .

## **6. Transactions or other arrangements with the Company**

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided they have declared the nature and extent of their interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- a. may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- b. shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which they are interested;
- c. shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which they are interested;
- d. may act by themselves or their firm in a professional capacity for the company (otherwise than as auditor) and they or their firm shall be entitled to remuneration for professional services as if they were not a director;
- e. may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- f. shall not, save as they may otherwise agree, be accountable to the company for any benefit which they (or a person connected with them (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of their duty under section 176 of the Act.

## **7. Directors' conflicts of interest**

7.1. The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director breaching their duty under section 175 of the Act to avoid conflicts of interest (Conflict).

7.2. Any authorisation under this article will be effective only if:

- a. the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- b. any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and
- c. the matter was agreed to without their voting or would have been agreed to if their vote had not been counted.

7.3. Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

- a. extend to any actual or potential conflict of interest that may reasonably be expected to arise out of the matter so authorised;
- b. be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; and
- c. be terminated or varied by the directors at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

7.4. In authorising a Conflict, the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through their involvement in the Conflict otherwise than as a director of the Company and in respect of which they owe a duty of confidentiality to another person, the director is under no obligation to:

- a. disclose such information to the directors or to any director or other officer or employee of the company; or
- b. use or apply any such information in performing their duties as a director, where to do so would amount to a breach of that confidence.

7.5. Where the directors authorise a Conflict, they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director:

- a. is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;
- b. is not given any documents or other information relating to the Conflict; and
- c. may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

7.6. Where the directors authorise a Conflict:

- a. the director will be obliged to conduct themselves in accordance with any terms imposed by the directors in relation to the Conflict; and
- b. the director will not infringe any duty they owe to the company by virtue of sections 171 to 177 of the Act provided they act in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.

7.7. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit that they derive from or in connection with a relationship involving a Conflict that has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **8. Number of directors**

8.1. Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.

8.2. If and for so long as there is a sole director:

- a. the sole director may exercise all the powers conferred on the directors by the Articles and shall do so by written resolution under their hand; and
- b. Article 4 shall not apply to the Company.

## **9. Appointment of directors**

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against them (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

## **10. Appointment and removal of alternate directors**

10.1. Any director (appointor) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- a. exercise that director's powers; and
- b. carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

10.2. Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor director, or in any other manner approved by the directors.

10.3. The notice must:

- a. identify the proposed alternate; and
- b. in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

## **11. Rights and responsibilities of alternate directors**

11.1. An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

11.2. Except as the Articles specify otherwise, alternate directors:

- a. are deemed for all purposes to be directors;
- b. are liable for their own acts and omissions;
- c. are subject to the same restrictions as their appointors; and
- d. are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which their appointor is a member.

11.3. A director who is also an alternate director is entitled, in the absence of their appointor, to a separate vote on behalf of their appointor, in addition to their own vote on any decision of the directors (provided that their appointor is an eligible director in relation to that decision), but, they shall not count as more than one director for the purposes of determining whether a quorum of directors is present.

## **12. Termination of alternate directorship**

An alternate director's appointment as an alternate terminates:

- a. when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- b. on the occurrence, in relation to the alternate, of any event that, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- c. on the death of the alternate's appointor; or
- d. when the alternate's appointor's appointment as a director terminates.

## **13. Company Secretary**

The directors may appoint any person who is willing to act as the company secretary for such term, at such remuneration and upon such conditions as they may think fit. They may from time to time remove such person and appoint a replacement, in each case by a decision of the directors .

## **Shares and distributions**

### **14. Allotment of shares**

14.1. In accordance with section 567 of the Act, section 561 of the Act shall not apply to the Company.

14.2. All shares to be fully paid up

14.3. No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

14.4. Any further shares to be proposed to be issued will be offered to the existing members in proportion (so far as possible) to the number of the existing shares held by each of them, unless the Company directs otherwise by passing a special resolution. The offer will be made by notice, specifying the number of shares offered, and a period (of not less than fourteen days) within which the offer, if not accepted, will be treated as declined.

14.5. When that period expires, the shares treated as declined will be offered (again in the proportion to their shareholding) to the persons who have, within the period specified, accepted all the shares offered to them pursuant to Article 14.2. This further offer will be made in the same manner and specify the same period for acceptance as the original offer.

14.6. Any shares not accepted pursuant to Article 14.2 and Article 14.3, or not capable of being offered except by way of fractions, and any shares released from the provisions of this Article by a special resolution of the Company, will be under the control of the directors. The directors may allot, grant options over or otherwise dispose of these shares to such persons, on such terms, and in such manner as they think fit. However, these shares must not be disposed of on terms that are more favourable than the terms on which they are offered to the members.

## **15. Powers to issue different classes of share**

15.1 Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

15.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

## **16. Employee Shares**

Notwithstanding any other provisions of these Articles, the following provisions with regard to Employees' Shares shall have effect:-

(1) The company may issue a type of share known as "Employees' Shares". Each Employees' Share shall be individually identified by a letter or letters e.g. "X Employees' Share" or "XY Employees' Share" and every such single share shall constitute a separate class of share.

(2) The Directors may allot Employees' Shares from time to time to such employees of the Company as they shall think fit and may also allot such Shares to trustees for the benefit of any employee or employees of the Company: Provided that before the allotment of any Employees' Share is made the full nominal amount thereof must be paid to the Company in cash.

(3) Each Employees' Share shall be entitled to such dividend as may be declared by the Company in General Meeting to the intent that a dividend may be declared on each class of Employees' Share to the exclusion of the Ordinary Shares or other classes of Employees' Shares and that dividends at different rates may be declared on all or any classes of shares:

Provided that, in the event of any issue of bonus Shares in pursuance to a scheme for the capitalisation of profits or reserves, any bonus Shares issued to the holders of Employees' Shares or to the holders of Ordinary Shares, shall be Employees' Shares and Ordinary Shares respectively unless the Company in General Meeting shall otherwise determine.

(4) Employees' Shares shall not confer on the holders thereof the right to receive notice of or to be present or to vote either in person or by proxy at any General Meeting by virtue or in respect of their holdings of Employees' Shares.

(5) Employees' Shares, in the event of the winding up of the Company, shall not confer on the holders thereof the right to any participation in the assets of the Company.

(6) The Certificates relating to Employees' Shares shall indicate that the Shares are such.

(7) An Employees' Share shall not be transferable except as provided by Paragraphs (8), (9) and (10) of this Article.

(8) The holder of an Employees' Share shall be entitled to hold and retain the same so long as he remains an employee of the Company; and if by death, resignation, withdrawal, dismissal, or otherwise, he ceases to be an employee of the Company he or

his legal personal representative shall be bound upon the request in writing of the Directors to transfer such Share within twenty-eight days to such person as the Directors may nominate. and such person shall at any time on the request of the Directors transfer such Share to any employee of the Company nominated by the Directors.

(9) If any person, who ought in conformity with the last preceding paragraph of this Article to transfer any Employees' Share, makes default in transferring the same or if, in case of the death of the holder, there shall not for the time being be a legal personal representative of such holder, the Directors may in writing under the Common Seal appoint any person to make the transfer on behalf of the person in default or on behalf of the deceased holder as the case may be, and a transfer by such appointee shall be as effective as if it were duly executed by the personal representative of the deceased holder. A certificate by the Directors under the Common Seal that such power of appointment has arisen shall be conclusive for all purposes.

(10) An employee of the Company holding Employees' Shares may, with the sanction of the Directors, transfer such Shares or any of them to another employee of the Company.

(11) In this Article "employee of the Company" means and includes any secretary, departmental manager, foreman, clerk, salesman, traveller or workman, but the term does not include a Director (unless such Director holds some other office or place of profit under the Company) or an Auditor.

## **17. Pre-emption rights**

17.1. A member desiring to transfer shares to any person other than those mentioned in Article 14 shall give notice in writing of such intention to the directors of the Company, giving a proper description of the shares in question.

17.2. The directors, as agents for the member giving notice, may dispose of all or any of these shares to members of the Company, pro-rata and at a price to be agreed between the member wishing to transfer the shares (the 'transferor') and the directors. Where agreement on price can't be reached, a fair value price can be fixed by the auditors of the Company.

17.3. If within twenty-eight days from the date of the notice, the directors are unable to find a member or members willing to purchase all of the shares, the transferor may, subject to Article 14.4, dispose of as many of those shares as shall remain undisposed of in any manner they may consider appropriate, and within three months from the date of the notice.

## **Decision making by shareholders**

## **18. Proceedings at general meetings**

18.1. If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting, if convened at the request or initiative of the members, shall be dissolved.

18.2. In any other case, it shall stand adjourned to such day and at such time and place as the directors determine.

18.3. If at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

## **19. Poll votes**

19.1. A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

19.2. Article 44(3) of the Model Articles shall be amended by the insertion of the words 'A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made' as a new paragraph at the end of that article.

## **20. Proxies**

20.1. Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words 'is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate'.

20.2. Article 45(1) of the Model Articles shall be amended by the insertion of the words 'and a proxy notice that is not delivered in such manner shall be invalid unless the directors, in their discretion, accept the notice at any time before the meeting' as a new paragraph at the end of that article.

### **Administrative arrangements**

## **21. Means of communication to be used**

21.1. Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- a. if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
- b. if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- c. if properly addressed and sent or supplied by electronic means (i.e. email), one hour after the document or information was sent or supplied; and
- d. if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a Working Day .

21.2. In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act .

## **22. Indemnity**

22.1. Subject to article 19.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled :

- a. each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by them as a relevant officer in the actual or purported execution and/or discharge of their duties, or in relation to them. This includes any liability incurred by them in defending any civil or criminal proceedings, in which judgment is given in their favour, or in which they are acquitted, or where the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on their part, or in connection with any application in which the court grants them, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and
- b. the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to in article 19.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

22.2. This article does not authorise any indemnity that would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

22.3. In this article:

- a. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- b. a 'relevant officer' means any director or other officer of the company or an associated company (including any company that is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).



## **23. Insurance**

**23.1.** The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss

**23.2.** In this article:

- a. a 'relevant officer' means any director or other officer of the company or an associated company (including any company that is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);
- b. a 'relevant loss' means any loss or liability that has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- c. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.