

ARTICLES OF ASSOCIATION
of
ALLIED SURVEYORS SCOTLAND PLC

WEDNESDAY



SCT *S7AFVSQY* #226
18/07/2018
COMPANIES HOUSE

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

ALLIED SURVEYORS SCOTLAND PLC

(as amended by Special Resolution dated 5th July 2018)

PRELIMINARY

1. In these Articles:-

- “the Agreement”** shall mean the Agreement between the Company and the Original Shareholders dated on or around the date of these amended Articles of Association;
- “Table A”** shall mean Table A in the Schedule to the Companies (Table A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985;
- “Equity Shares”** shall mean Ordinary Shares in the capital of the Company and “equity share capital” shall have the meaning ascribed to it by Section 744 of the Act; and
- “Original Shareholders”** means the registered holders of Equity Shares as at the date of the Resolution in terms of which this definition is adopted as part of the Articles of Association of the Company and the expression “Original Shareholder” shall be interpreted accordingly.

2. Subject to the provisions hereinafter contained, the Regulations contained in Table A so far as not excluded, altered or modified by or inconsistent with the following Articles shall apply to the Company and be deemed to be incorporated herein. Regulations 3, 12, 24, 53, 54, 64, 73 to 75 inclusive, 80, 87, 89 and 94 to 96 inclusive of Table A shall not apply to the Company.

3. The following Regulations of Table A shall be modified:-

Regulation 6 by the deletion of the words “sealed with the Seal” and the substitution of the words “executed in terms of section 36B of the Act;

Regulation 32 by the deletion of paragraph (a) and the consequential re-lettering of the subsequent paragraphs and the addition to the original paragraph (b) of the words "but so that any such consolidation and/or division shall not result in any shareholder becoming entitled to fractions of a share";

Regulation 40 by the substitution of the word "Two" with the word "Five" in line one of the Regulation;

Regulation 42 so that the words "the directors present" shall be held to be deleted and the words "the persons present, each being a shareholder or a proxy for a shareholder or a duly authorised representative of a corporate shareholder of the Company" shall be inserted in lieu thereof;

Regulation 46 so that paragraphs (a) to (d) inclusive shall be held to be deleted and the words "by the chairman or by any person entitled to vote upon the business to be transacted, being a shareholder or a proxy for a shareholder or a duly authorised representative of a corporate shareholder of the Company" shall be inserted in lieu thereof;

Regulation 50 by the addition of the word "not" between the words "shall" and "be" where they occur in said Regulation;

Regulation 66 so that the words "(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)" shall be inserted between the words "shall" and "be";

Regulation 67 by the deletion of the words from "but" until the end;

Regulation 76 by the deletion of the words "other than a director retiring by rotation", "or reappointed" and "or reappointment" each time they appear;

Regulation 77 so that the words "(other than a director retiring by rotation at the meeting)" shall be held to be deleted, the words "or reappointment" shall be held to be deleted both times they appear and the words "or reappointed" shall be held to be deleted;

Regulation 78 by the deletion of the words "and may also determine the rotation in which any additional directors are to retire";

Regulation 79 by the deletion of the second and third sentences;

Regulation 82 so that the words "by way of Directors' fees" shall be inserted between the words "remuneration" and "as";

Regulation 84 so that the words "Unless the contrary shall be provided in the terms of his appointment" shall be added to the beginning of the third sentence thereof; and

Regulation 115 so that the figure "48" shall be held to be deleted and the figure "24" inserted in lieu thereof.

Unless otherwise required by the context of the Articles and Table A, in so far as not excluded and as modified in terms of this Article, words importing the

singular number shall include the plural and vice versa and words importing the masculine gender shall include the feminine.

4. The Company is established as a public company within the meaning of Section 1(3) of the Companies Act 1985 (hereinafter referred to as "**the Act**") in accordance with and subject to the provisions of the Act and of the Memorandum of Association of the Company.

SHARE CAPITAL

5. The Share Capital of the Company at the date of adoption of these Articles is £50,000 divided into 50,000 Ordinary Shares of £1 each (in these Articles referred to as the "**Ordinary Shares**")
6. Section 89(1) of the Act shall not apply to any allotment of shares in the Company.
7. Subject to the provisions of the Act and the Articles, the Directors may issue shares which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder.
8. The Directors may from time to time (subject to any terms upon which any shares may have been issued) make calls on such terms as they may think fit upon the shareholders in respect of all or any moneys unpaid on their shares and each shareholder shall be liable to pay the calls so made and any money payable on any share under the terms of allotment thereof to the persons and at the times and places appointed by the Directors. A call may be required to be paid by instalments. A call may be revoked in whole or in part or its payment postponed in whole or in part by the directors. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

ISSUE OF SHARES

9. Except with the consent in writing of the holders of 75% of the issued Ordinary Shares in the capital of the Company from time to time, all shares in the equity share capital of the Company which are to be issued shall, before issue, be offered by the Directors in the first instance to all holders at the relevant time of equity share capital and that in each case in proportion as nearly as may be to the aggregate amounts paid up or credited as paid up on the Equity Shares held by such shareholder respectively. Every such offer shall be in writing, shall state the number of the shares to be issued and shall be subject to the conditions, which shall be incorporated in such offer, (a) that any acceptance thereof (which may be as regards all or any of the shares offered) shall be in writing and be delivered at the office within a period of fourteen days from the date of service of the said offer, (b) that if the aggregate number of shares accepted exceeds the number of shares included in such offer the shareholders accepting shall be entitled to receive and bound to accept an allocation of either the number of shares accepted by the respectively or a proportionate number of the shares offered according to the amounts paid up or credited as paid up on the shares carrying the right to such offer as aforesaid then held by them respectively, whichever number be less, and (c) that any shareholders to whom such offer shall have been made and whose requirements shall not have been fully met by such allocation shall further be entitled to receive and bound to accept an

allocation among them of any surplus shares in proportion as nearly as may be to the number of shares accepted by them respectively in excess of the number of shares to which they may respectively be entitled on the first allocation thereof as aforesaid. In so far as any such offer shall not be accepted, the Directors may within three months after the date of the offer thereof in terms of this Article dispose of such shares to such person or persons as they may think fit but only upon terms no less favourable than as we were specified in such offer.

TRANSFER OF SHARES

10. Subject to Articles 23 and 24, except only with the consent in writing of all the holders of the issued Ordinary Shares in the capital of the Company, no share in the capital of the Company, nor any interest therein shall be transferred otherwise than in accordance with Article 11.

11. (A) Every holder of shares in the Company who wishes at any time to transfer his shares or any interest therein or any of them (hereinafter referred to as a "Transferor") shall notify the Directors of the Company in writing of his wish so to do. Such notification (hereinafter called the "transfer notice") shall constitute the Directors his agents for the sale of such shares (hereinafter called "the Shares") at the fair value (as hereinafter defined) and (save as hereinafter provided) shall not be withdrawn. Any transfer of shares not preceded by a transfer notice as above provided shall, when presented to the Company for registration, have the effect only of a transfer notice in regard to the shares comprised therein and shall have no other effect in question with the Company.

- (B) For the purposes of this Article, the fair value shall be such price as may be agreed between the Transferor and the Directors within one month of such genuine or deemed service of a transfer notice or, failing such agreement, as may be determined by a Chartered Accountant, experienced in the valuation of shares in public companies, to be agreed by the parties or, failing agreement as to such nomination within 14 days of such original failure to agree the fair value, by the President for the time being of the Institute of Chartered Accountants of Scotland, to be in his opinion (acting as an expert and not as an arbiter) the fair value of the Shares having regard to the fair value of the business of the Company as a going concern and as between a willing vendor and a willing purchaser. Without restricting the discretion of said Chartered Accountant to determine the fair value of any Equity Shares he shall calculate the fair value of any Equity Shares on the following basis namely:-
 - (i) by determining the sum which a willing purchaser would offer to a willing vendor for the whole of the issued equity share capital of the Company; and
 - (ii) by dividing the resultant figure by the number of Equity Shares in issue, and multiplying the result by the number of Equity Shares represented by the transfer notice

so that there shall be no addition or subtraction of any premium or discount arising in relation to the relevant size of the holding the subject of the transfer notice of any restrictions on the transferability of the Shares. The certificate of the said Chartered Accountant as to such value shall, subject to paragraph (C) of this Article be final and binding on all concerned. The fees and expenses of the said Chartered Accountant in respect of such determination shall be borne by the Company or if the Transferor withdraws the transfer notice pursuant to paragraph (C) of this Article or gives a counter-notice pursuant to paragraph (E) of this Article, such fees and expenses shall be borne by the Transferor.

- (C) In the event of the fair value determined as aforesaid not being acceptable to the Transferor he may give notice in writing to the Directors within 14 days after the issue of the certificate as aforesaid and thereupon the transfer notice shall be deemed to be withdrawn.
- (D) Upon the fair value being so agreed as aforesaid, or if (the price having been certified as aforesaid) the Transferor has not given a notice pursuant to paragraph (C) operating to withdraw the transfer notice, the Directors shall forthwith give details of the number and price (being the fair value) of the Shares on offer to all the then holders of Equity Shares in the capital of the Company (other than the Transferor) who shall be entitled to purchase the Shares. In case there shall be more than one shareholder willing to purchase the Shares (hereinafter called a "**purchasing shareholder**") the Shares shall be divided among such purchasing shareholders in the proportion as nearly as possible to the number of Equity Shares already held by them respectively provided, however, that no purchasing shareholder shall be entitled to take a greater number of the Shares than he shall have offered to purchase and that any of the Shares which cannot be so divided without creating fractions shall be apportioned by the Directors among the purchasing shareholders as they shall think proper. To the extent that no purchasing shareholders shall be found within 21 days, the Directors may offer the same at any price not being less than the fair value to any person they consider it desirable to admit to membership.
- (E) If the Directors shall pursuant to the provisions of paragraph (D) of this Article find a shareholder or shareholders, or any other person or persons approved by them who is or are willing to purchase all or any of the Shares, or if they shall have been unable within three months after the date of the offer of the Shares pursuant to paragraph (D) of this Article to find any such shareholder or other person, they shall give notice thereof to the Transferor. If the Directors shall have found a person willing to purchase some but not all of the Shares, the Transferor may within 21 days of the receipt of such notice from the Directors give a counter-notice in writing to the Directors withdrawing the transfer notice, but if the Directors shall have found a person willing to purchase all the Shares, or if no such counter-notice shall have been given by the Transferor within the aforesaid period, the Transferor shall be bound upon receipt of payment of the fair value to transfer the Shares (or such of the same for which the Directors shall have found a purchaser) to such person.

- (F) If the Transferor makes default in so transferring the Shares as aforesaid the Directors shall (if so required by the person or persons willing to purchase such Shares under the foregoing provisions) receive and give a good discharge for the purchase money on behalf of the Transferor, and shall authorise some person to execute transfers of the Shares in favour of the purchaser and shall enter the *name of the purchaser in the Register of Members as the holder of such of the Shares as shall have been transferred to him as aforesaid.*
- (G) If the Transferor shall not have given to the Directors any notice pursuant to paragraph (C) or (E) hereof operating to withdraw the transfer notice and the Directors shall not pursuant to paragraph (D) hereof fund a purchaser for all the Shares, the Transferor shall be at liberty at any time within six months after the date of the offer of such Shares pursuant to paragraph (D) to sell and transfer all or any of the Shares not so sold as aforesaid to any person at any price not being less than the fair value.
- (H) For the purpose of ensuring that a transfer of Shares is duly authorised hereunder, or that no circumstances have arisen whereby a transfer notice is required to be given hereunder the Directors may require any shareholder or the legal personal representatives of a deceased shareholder or the liquidator of any corporate shareholder or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may think fit regarding any matter they deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such request, the Directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a transfer notice be given in respect of the shares concerned, and they may likewise so require if any such information or evidence discloses that a transfer notice ought to be given in respect of any Shares. If the Directors do so require and the transfer notice is not duly given within one month from the date of its being so required such notice shall be deemed to have been given at the expiration of the said period and the provisions of these Articles shall take effect accordingly.

12. In the event of (i) the bankruptcy or liquidation (other than for the purpose of reconstruction or amalgamation) of any shareholder (the terms "**a shareholder**" and "**such shareholder**" for the purposes of this Article being hereinafter deemed to include the administrators, trustee in bankruptcy or liquidator of such shareholder, and the beneficial owner of Shares in respect of which some other person is the registered holder as the case may be) or (ii) any shareholder serving notice in terms of Clause 8.1, 9.2, 21.1 or 21.2 of the Agreement, the Directors shall at any time within a period of twelve months or such longer period as may be agreed with such shareholder or the personal representative of such shareholder from the date of such bankruptcy or liquidation as the case may be by notice in writing require such shareholder to give a transfer notice in terms of Article 11 hereof as regards all or any of the Shares held by such shareholder (save that there shall be no entitlement to withdraw such transfer notice and in

the case of shares the subject of a transfer notice resulting from the circumstances referred to in (ii) above the fair value in aggregate shall be the amount paid up on the shares in question and in the event of such transfer notice not being received by the Company within the period of 14 days after such notice given by the Directors, the Directors shall be entitled to proceed as if such transfer notice had actually been received by them on the last of such 14 days.

For the purpose of ensuring that no circumstances have arisen whereby a transfer notice is required to be given hereunder the Directors may from time to time require any such shareholder to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose.

13. The Directors shall not be entitled to decline to register a transfer of any shares made pursuant to the provisions of these Articles or the Agreement unless:-
- (a) it is not lodged at the office or at such other place as the Directors may appoint and is not accompanied by the certificate or certificates for the shares to which it relates (or an indemnity for lost share certificate(s) in respect thereof) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer; or
 - (b) it is in respect of more than one class of shares; or
 - (c) it is in favour of more than four transferees.

VOTES OF SHAREHOLDERS

14. At any General Meeting of the Company every person present, whether as an individual shareholder of the Company or by a duly authorised representative of a corporate shareholder of the Company or by a proxy for a shareholder of the Company shall have one vote on a show of hands and upon a poll every shareholder present, whether in person or by a duly authorised representative of a corporate member of the Company or by proxy, shall have one vote for each £1 nominal share as of whatever class (whether fully paid or not) in the capital of the Company of which he is the holder.

RESOLUTIONS OF SHAREHOLDERS

15. A resolution in writing signed by or on behalf of all the shareholders who would have been entitled to vote upon it if it had been proposed at a General Meeting of the Company shall be as effective for all purposes as if the same had been duly passed at a General Meeting of the Company duly convened and held and may consist of several documents in the like form each signed by or on behalf of one or more shareholders.

DIRECTORS

- 16.1 For so long as each of the Original Shareholders shall continue to hold any Equity Shares, it shall be entitled to appoint as a Director:-
- (a) where the Original Shareholder is a sole trader, such sole trader himself;

- (b) where the Original Shareholder is a partnership, any partner of such partnership;
- (c) where the Original Shareholder is a limited liability partnership, any Shareholder of such limited liability partnership; and
- (d) where the Original Shareholder is a limited company, any director of such limited company,

and to remove any Director so appointed. Any appointment or removal shall be made by written notice signed by or on behalf of the Original Shareholder and shall take effect upon delivery of the same to the registered office of the Company.

- 16.2 The number of the Directors of the Company (other than alternate Directors) shall be not less than two and shall not be subject to any maximum. The quorum for the transaction of the business of the Director shall be five. A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum.
- 16.3 Meetings of the Directors may be held by telephone communication or audio-visual communication media and such meeting shall, subject to notice thereof having been given in accordance with these Articles and subject to the voices of each of the Directors being clearly identifiable and audible, be as effective as if the Directors had met in person provided always that the number of Directors participating in such communication is not less than the quorum stipulated by these Articles. A resolution made by a majority of the said Directors in pursuance of this Article shall be as valid as it would have been if made by them at a meeting duly convened and held in person.
- 16.4 It shall be the duty of the Directors to ensure that any business of surveying for the time being carried on by the Company shall at all times be conducted in accordance with the Rules of Conduct for the time being of the Royal Institution of Chartered Surveyors.
- 17. Any person of 18 years of age or greater age without limitation may be appointed a Director of the Company and no Director of the Company shall be required to vacate office at any time by reason of his age.
- 18. A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company, on such terms as to remuneration and otherwise as the Directors shall agree.
- 19. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner in all respects as they think fit, including the exercise thereof in favour of any resolution appointing them or any of their number directors or officers of such other company or voting or providing for the payment of remuneration to the directors or officers of such other company, and may be counted in the quorum for any such meeting.
- 20. Notice of every meeting of the Directors shall be given to each Director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any Director may waive notice of

any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him.

- 21.1 Subject to the provisions of the Act and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:-
- 21.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
- 21.1.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
- 21.1.3 may (and any firm or company of which he is a partner or shareholder or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- 21.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- 21.1.5 shall be entitled to vote and be counted in the quorum on any matter concerning the foregoing paragraphs of this Article.
- 21.2 For the purposes of this Article:
- 21.2.1 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that a Director has an interest in any such transaction of the nature and extent so specified;
- 21.2.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- 21.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these articles were adopted connected with a director shall be treated as an interest of the Director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

DIRECTORS' POWERS

22. The Directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of, or shall have rendered services of any kind to, the Company or any company which is the holding company of a subsidiary of the Company or such holding company or is allied to or associated with the Company or with any such holding company or subsidiary or which was a

predecessor in business of the Company or of any such other company as aforesaid or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid or any person in whose welfare the Company or any such other company as aforesaid is or has been at any time interested and to or for the benefit of the wives, widows, families and dependants of any such persons, to establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid or of any such persons as aforesaid, to make payments for or towards the insurance of any such persons as aforesaid and to subscribe or guarantee money for any charitable or benevolent object and may do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid; provided that the Directors shall not be entitled without the previous sanction of an Ordinary Resolution of the Company to exercise the powers conferred by this Article in favour of any person who is or was a director of the Company or of any such other company as aforesaid but who does not hold or has not held any salaried employment or office in the Company or in any such other company as aforesaid or in favour of the wife, widow, family or dependants of any such person.


DRAG-ALONG

- 23.1 Notwithstanding the provisions of Article 11A if the holders of not less than 75% of the equity share capital of the Company (together "**the Selling Shareholders**") wish to transfer their shares to a third party purchaser ("**the Third Party Purchaser**") on arms length terms and conditions and at arms length price, the Selling Shareholders and the Third Party Purchaser shall together have the option ("**the Drag Along Option**") to serve notice on all the other holders of shares in the equity share capital ("**the Called Shareholders**") which notice shall constitute a written offer ("**the Offer**") by the Third Party Purchaser to purchase all of the Called Shareholders' shares free from lien, charge or encumbrance at the same price per share as has been offered to the Selling Shareholders. The Offer shall be open for acceptance in Scotland for a period of 30 days from its delivery. Each Called Shareholder shall, upon acceptance of the Offer, be bound to deliver a signed transfer of its shares within 5 days of the Selling Shareholders and the Third Party Purchaser so requiring them to do so. For the avoidance of doubt those Called Shareholders who have accepted the Offer shall be bound to deliver their shares as above notwithstanding that some of the Called Shareholders may not have accepted the Offer and are not so bound.
- 23.2 If any Called Shareholder who has accepted the Offer pursuant to Article 23.1 subsequently makes default in so transferring any of its shares required to be transferred pursuant to the Drag Along Option, the Directors shall be entitled to receive any consideration from the Third Party Purchaser on behalf of such Called Shareholder and shall be entitled to authorise one of their number to execute transfers of the shares in favour of the third party purchaser and to enter the transferee's name in the Register of Members as the holder of such shares.
- 23.3 The rights to pre-emption contained in these Articles shall not apply on any sale and transfer pursuant to this Article 23 in respect of implementing a Drag Along Option which is otherwise permissible pursuant to these Articles.

TAG ALONG

- 24.1 Notwithstanding the provisions of Article 11A no transfer of any Shares shall be made by the proposing transferor pursuant to this paragraph or registered without the previous consent in writing of all the shareholders if it would result in a person or persons who was or were not an Original Shareholder(s) (and any person or persons Acting in Concert with him or them) obtaining direct or indirect control of a Controlling Interest unless, before the transfer is made, the proposed transferee(s) (**the Buyer**) make(s) a written offer (open for acceptance in Scotland for a period of at least 30 days from its delivery, which shall be made personally on each of the shareholders) to all the shareholders to purchase all the Shares in the capital of the Company then in issue (at the same time and on the same terms and conditions for each shareholders) at a price per Share not less than that being offered by the Buyer to the proposing transferor. No shareholder (including the proposing transferor) shall complete any sale of Shares to the Buyer unless the Buyer completes the purchase of all the Shares agreed to be sold simultaneously.
- 24.2 The rights of pre-emption contained in these Articles shall not apply on any sale or transfer pursuant to and complying with the terms of this Article 24 (Tag Along).

Certified a true copy


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Director