

Lilestone Holdings Limited

RESOLUTION

5th June 2013

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company confirm that the following resolution was passed by the members unanimously as a special resolution

SPECIAL RESOLUTION

THAT the draft regulations attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association



Diane Metcalfe

Director

FRIDAY



A29 *A2AIKU57* #124
14/06/2013
COMPANIES HOUSE

Company Number 05551556

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

LILESTONE HOLDINGS LIMITED ('COMPANY')

(Adopted by Written Resolution passed on 5th June 2013)

TABLE OF CONTENTS

	Page
1. PRELIMINARY.....	1
2. MODEL ARTICLES.....	2
3. RIGHTS ATTACHING TO SHARES	2
4. ISSUE OF SHARES.....	3
5. PROCEEDINGS AT GENERAL MEETINGS.....	3
6. VOTES OF MEMBERS	3
7. DIRECTORS.....	4
8. ALTERNATE DIRECTORS	7
9. OFFICIAL SEAL FOR USE ABROAD.....	8
10. MEANS OF COMMUNICATION TO BE USED	8
11. INDEMNITY AND INSURANCE	9

1. PRELIMINARY

1 1 **Definitions**

In these Articles

Act means the Companies Act 2006,

Articles means these articles of association, as from time to time altered,

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

Business Day means a day (excluding Saturdays and Sundays) on which banks are open for business in the City of London, British Virgin Islands and Hong Kong,

company includes any body corporate,

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),

Group means the Company and its subsidiaries from time to time,

holding company and subsidiary. mean a "holding company" and "subsidiary" as defined in section 1159 of the Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee,

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,

Ordinary Shares means the issued fully paid ordinary shares of £0 001 each in the capital of the Company,

Shares means the Ordinary Shares, and

Shareholder means a holder of Ordinary Shares

1 2 **Same meanings as in the Act**

Save as provided in Article 1 1 and unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act

1 3 **Statutory modification**

In these Articles, save where the context otherwise requires, a reference to a statute, statutory provision or regulation shall include a reference

1 3 1 to that statute, statutory provision or regulation as from time to time consolidated, modified, re-enacted or replaced by any statute, statutory provision or regulation,

1 3 2 to any repealed statute, statutory provision or regulation which it re-enacts (with or without modification), and

1 3 3 to any subordinate legislation made under the relevant statute or regulation

1 4 **Number, gender and person**

In these Articles, unless the context otherwise requires

1 4 1 words in the singular include the plural, and vice versa,

1 4 2 words importing any gender include all genders, and

1 4 3 a reference to a person includes a reference to a company and to an unincorporated body of persons

1 5 In these Articles a reference to an Article is to a clause of these Articles

2. **MODEL ARTICLES**

2 1 The Model Articles shall apply to the Company, except in so far as they are varied, modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such variations, modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation

3. **RIGHTS ATTACHING TO SHARES**

Subject to any special rights which may be attached to any class of shares issued after the date of adoption of these Articles, the rights attaching to the Ordinary Shares are as follows

3 1 **Ordinary Shares**

3 1 1 **Capital**

On a return of assets on liquidation or otherwise, the assets of the Company available for distribution among the members shall be applied first in paying to the holders of the Ordinary Shares a sum equal to the nominal amount of each Ordinary Share held by them and secondly the balance of such assets (if any) shall be distributed amongst the holders of the Ordinary Shares pro rata (as nearly as may be) according to the nominal amounts paid up or credited as paid up on the Ordinary Shares held by them respectively

3 1 2 **Income**

Subject to the provisions of these Articles, the profits of the Company available for distribution and resolved to be distributed in respect of any financial year shall be distributed among the holders of the Ordinary Shares. Every dividend shall be distributed to the holders of the Ordinary Shares pro rata (as nearly as may be) according to the number of the Ordinary Shares held by them respectively

3 1 3 **Voting**

On a poll every Shareholder shall have one vote for every Ordinary Share of which it

is the holder

4. ISSUE OF SHARES

The directors shall not exercise any power of the Company to allot shares or other securities in, or to grant rights to subscribe for, or convert into, shares or other securities of, the Company without the prior written consent of the Shareholder or Shareholders holding the majority of Shares. Without limitation, the powers of the directors under section 550 of the Act are limited accordingly

5. PROCEEDINGS AT GENERAL MEETINGS

5.1 Quorum

5.1.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on

5.1.2 Where the Company has only one shareholder for the time being, one qualifying person, as defined in section 318 of the Act as

- (a) an individual who is a member of the company,
- (b) a person authorised under section 323 (representation of corporations at meetings) to act as the representative of a corporation in relation to the meeting, or
- (c) a person appointed as proxy of a member in relation to the meeting

being present at the meeting shall be a quorum. In any other case, the quorum shall be, where there is only one Shareholder, that Shareholder present in person, by proxy or by authorised representative or if the Company has more than one Shareholder for the time being, any two Shareholders present in person, by proxy or by authorised representative

6. VOTES OF MEMBERS

6.1 Votes of members

At any general meeting of the Company

6.1.1 on a show of hands every Shareholder who (being an individual) is present in person or by proxy (not being himself a member) or (being a corporation) is present by proxy or by a representative duly authorised under section 323 of the 2006 Act (not being himself a member) shall have one vote,

6.1.2 any vote on a show of hands which is not unanimous shall go to a poll,

6.1.3 on a poll every Shareholder present in person, by representative or by proxy shall have one vote for every Ordinary Share of which it is the holder

6.2 Casting vote of chairman

There shall be no casting vote for the chairman of the meeting

7. DIRECTORS

7 1 Directors' General Authority

Any or all powers of the directors (or any of them) shall be restricted in such respects, to such extent and for such duration as a majority of Shareholders may from time to time prescribe

7 2 Quorum for Directors' Meetings

7 2 1 Subject to article 7 2 2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors or, where there is only one director in office for the time being, that director

7 2 2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 4 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s) (as defined in article 7 4 1), the quorum for such meeting (or part of a meeting) shall be one Eligible Director

7 2 3 A person who holds office as an alternate director, pursuant to Article 8, shall, if his appointor is not present, be counted in the quorum in accordance with Article 8 2 3

7 3 Transactions or other arrangements with the Company

7 3 1 Subject to the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, 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 existing or proposed transaction or arrangement in which he is 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 existing or proposed transaction or arrangement in which he is interested,

(d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director, and

(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

7 3 2 The provisions of Articles 7 3 1(a) to (e) (inclusive) are subject, where

applicable, to any terms and conditions imposed by the Shareholders in accordance with article 7 4

7 4 Directors' Conflicts of Interest

7 4 1 For the purposes of section 175 of the Act, the Shareholder holding a majority of the Shares (and not the directors) shall have the power to authorise, by resolution and in accordance with the provisions of these Articles, any matter or situation proposed by any director which would, if not so authorised, involve a director (the **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (a **Conflict**)

7 4 2 The Interested Director must provide the Shareholders with such details as are necessary for the Shareholders to decide whether or not to authorise the Conflict, together with such additional information as may be requested by any of the Shareholders

7 4 3 Any authorisation by the Shareholders 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 which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- (c) provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Shareholders think fit, and/or
- (e) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

7 4 4 Where the Shareholders authorise a Conflict

- (a) the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Shareholders in relation to the Conflict, and
- (b) the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act, provided he acts in accordance with such terms and conditions (if any) as the Shareholders impose in respect of their authorisation

7 4 5 The Shareholders may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation

7 5 Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions

7 6 Number of Directors

Unless otherwise determined by ordinary resolution, the number of directors shall not be less than one. A sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these Articles

7 7 Appointment and removal of Directors

7 7 1 The Shareholders holding a majority of the Shares may at any time and from time to time by notice in writing to the Company appoint one or more persons to be a director or directors of the Company and remove any director or directors from office (whether or not appointed pursuant to this article 7 7) Model Articles 7, 8 and 17 are hereby expressly excluded

7 7 2 A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (f) that person is convicted of an indictable offence (other than an offence under the Road Traffic Acts) unless the directors otherwise determine,
- (g) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms, or
- (h) notification of the director's removal is received by the Company from the Shareholders pursuant to Article 7 7 1

7 7 3 Any removal of a director pursuant to article 7 7 1 shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the director so removed

7 8 No rotation

No director shall not be required to retire by rotation

8. ALTERNATE DIRECTORS

8 1 Appointment and removal of alternate directors

8 1 1 Any director (appointor) may appoint as an alternate any other director, or any other person approved in writing by the shareholders holding a majority of the Shares, to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

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

8 1 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by shareholders holding a majority of the Shares

8 1 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

8 2 Rights and responsibilities of alternate directors

8 2 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

8 2 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 his appointor is a member

8 2 3 A person who is an alternate director but not a director

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but

does not participate), and

- (c) shall not be counted as more than one director for the purposes of articles 8 2 3(a) and (b)

8 2 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision)

8 2 5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

8 3 Termination of alternate directorship

8 3 1 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 which, 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

9 OFFICIAL SEAL FOR USE ABROAD

The Company may have an official seal for use abroad under the provisions of the Act, where and as the Board shall determine, and the Company may by writing under the Common Seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company, for the purpose of affixing and using such official seal, and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the Common Seal of the Company, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid

10. MEANS OF COMMUNICATION TO BE USED

10 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

10 1 1 the following Business Day if delivered by overnight courier and five Business Days after delivery if delivered by regular commercial courier,

10 1 2 if properly addressed and delivered by hand, when received, and

10 1 3 if properly addressed and sent or supplied by electronic means at the time of transmission

- 10 2 For the purposes of this article 10, no account shall be taken of any part of a day that is not a Business Day
- 10 3 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

11. INDEMNITY AND INSURANCE

- 11 1 Without prejudice to any indemnity to which a relevant officer is otherwise entitled, each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including any liability incurred by him in defending any civil or criminal proceedings, or regulatory investigation or action (in which judgment is given in his favour or in which he is acquitted or the proceedings are, or the investigation or action is, otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application) in which the court grants him, in his 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 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings, investigation, action or application referred to in this article 10 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure
- 11 2 This article 11 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly
- 11 3 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
- 11 4 In this article 11
- 11 4 1 "associated company" means any member of the Group and "associated companies" shall be construed accordingly,
- 11 4 2 a "relevant loss" means any loss or liability which 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
- 11 4 3 a "relevant officer" means any director or other officer of the Company or an associated company, but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)