

WRITTEN RESOLUTION OF ARNOLD CLARK AUTOMOBILES LIMITED (Company)

Registered Number: SC036386

Registered Office: 454 Hillington Road, Glasgow G52 4FH

Below is a copy of a resolution of the Company (**Resolution**). The Resolution was duly passed as a special resolution by way of written resolution on 11th December 2018 pursuant to Chapter 2 of Part 13 of the Companies Act 2006.

SPECIAL RESOLUTION

THAT (i) the 400,200 A ordinary shares of £1 each in the capital of the Company (issued and registered in the name of The JAC Trust) be and are hereby reclassified as 150,200 A1 ordinary shares of £1 each and 250,000 A2 ordinary shares of £1 each; (ii) the A1 ordinary shares of £1 each, the A2 ordinary shares of £1 each, the B ordinary shares of £1 each and the C ordinary shares of £1 each in the capital of the Company shall each have the respective rights and restrictions set out in the articles of association to be adopted by this resolution; and (iii) the articles of association 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.



Date 11TH DECEMBER 2018

Director

Print Name KENNETH JOHN MCLEAN

**COMPANIES HOUSE
EDINBURGH**

24 DEC 2018

FRONT DESK

MONDAY



SCT *S7LHLE3E* #84
24/12/2018
COMPANIES HOUSE

THE COMPANIES ACTS 1985 and 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
ARNOLD CLARK AUTOMOBILES LIMITED
(as adopted by Special Resolution dated 11th December 2018)

1 The regulations contained in Table A to the Companies Act 1985 as it relates to a private company limited by shares, as prescribed by the Companies (Tables A to F) Regulations 1985, amended by the Companies (Tables A to F) (Amendment) Regulations 1985, The Companies Act 1985 (Electronic Communications) Order 2000, the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (hereinafter referred to as "Table A") shall apply to and shall be the regulations of the Company save in so far as they are excluded or varied hereby or are inconsistent herewith.

2 The Articles numbered 24, 40 and 64 of Table A shall not apply to the Company, and the following Articles shall be modified:-

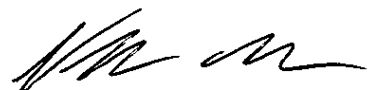
Article 8, so that the words "(not being a fully paid share)" shall be held to be delete;

Article 18, so that there shall be added to the end of the first sentence thereof the words "and all expenses that may have been incurred by the Company by reason of such non-payment";

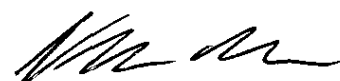
Article 30, so that the words "elect either to" and the words "or to have some person nominated by him registered as the transferee" in the first sentence of the Article and the second, third and fourth sentences of the Article shall be held to be delete.

3 The issued share capital of the Company at the date of adoption of these Articles is £999,169 divided into 150,200 "A1" Ordinary Shares of £1 each, 250,000 "A2" Ordinary Shares of £1 each, 349,169 "B" Ordinary Shares of £1 each and 249,800 "C" Ordinary Shares of £1 each. The "A1", "A2", "B" and "C" Ordinary Shares shall rank pari passu in all respects save that :-

3.1 the dividend payable may vary between the four classes; the Directors shall at each Annual General Meeting recommend any dividend proposed to be paid on any class of shares (and shall notify same in the Notice calling the Meeting), and the Members shall have power by an ordinary resolution to confirm or reject but not vary the recommendation; the Directors shall have no power to pay interim dividends without the consent of the Members, but may convene an Extraordinary General Meeting at any time for purposes similar mutatis mutandis to the foregoing as if it were an Annual General Meeting;



- 3.2 the voting rights attached to each class of shares on a poll shall be; the A1 Ordinary Shares shall (as a class) have 400,200 votes, the A2 Ordinary Shares shall have no right to vote and the B and C Ordinary Shares shall each carry one vote per share;
- 3.3 the right (for each class) to surplus assets on a return of capital shall be: for the A1 Ordinary Shares the relevant Specified Percentage of the surplus assets minus £250,000; for the A2 Ordinary Shares - £250,000; and for the B and C Ordinary Shares the relevant Specified Percentage of the surplus assets; the Specified Percentage means the same percentage (calculated to 6 decimal places) that the number of issued shares of the class (counting the A1 Ordinary Shares and A2 Ordinary Shares as a single class for this purpose) bears to the total number of issued shares of the Company;
- 3.4 on a Sale (of 100% of the issued share capital) the shareholders (immediately prior to the Sale) shall procure that the consideration (whenever received) shall be paid into a designated trustee account and will be distributed amongst those shareholders as if it was surplus assets on a return of capital; on a Sale of less than 100% the selling shareholders (immediately prior to a Sale) shall procure that the consideration (whenever received) shall be paid into a designated trustee account and will be distributed amongst the selling shareholders so that each selling shareholder receives the same consideration per share (but with each A2 Ordinary Share sold entitling the holder to a maximum of £1 of consideration per A2 Ordinary Share and with any excess consideration over that £1 being distributed as additional consideration on the A1 Ordinary Shares sold). Sale (for these purposes) means the sale of more than 50% of the issued share capital to one or more buyers as part of a single transaction (or series of connected transactions); and
- 3.5 whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up with the consent in writing of the holders of three fourths of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the class but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or the proceedings thereat mutatis mutandis apply except that the necessary quorum shall be one person at least holding or representing by proxy one third in nominal amount of the issued shares of the class, that the holders of shares of the class shall on a poll have one vote in respect of every share of the class held by them respectively and that any holder of shares of the class present in person or by proxy may demand a poll.
- 4 The Directors are hereby generally and unconditionally authorised for the purpose of s80 of the Companies Act 1985 to exercise any power of the Company to allot and grant rights to subscribe for or to convert securities into Shares of the Company up to a maximum nominal amount equal to



the nominal amount of the authorised but unissued Share Capital as at 1 April 2009; provided that the authority hereby given shall expire five years after that date unless previously renewed or varied save that the Directors may, notwithstanding such expiry, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company before the expiry of this authority.

5 The Directors may, without assigning any reason, decline to register any transfer of shares other than a Permitted Transfer in terms of article 7.

6 If any shareholder wishes to transfer his shares or any part thereof he shall be bound to offer the said shares by notice in writing to the Directors through the secretary at a fair price to be fixed as at the date of the notice by the auditor of the Company, acting as an expert and not as an arbiter, and such notice shall constitute the Directors his agents to contract with any member of the Company (including themselves or any one of them who are members of the Company or is a member of the Company) for the acquisition of said shares or any of them at the said price. If for the space of thirty days after receipt of such notice the Directors fail to find a member or members willing to purchase the shares or any of them at the said price and to give notice thereof within that time to the proposing transferor the said shares or any of them may in so far as no purchaser has been found for them be disposed of at not less than the said price at any time within two months as if this article had not been made, subject always to article 5. In the event of the Directors finding a member or members willing to purchase the shares or any of them in terms of this Article the proposing transferor shall be bound forthwith on receipt of a notice to that effect to execute and deliver a transfer or transfers of the said shares purchased in exchange for the price and failing his doing so within seven days of such notice the Directors shall be entitled to sign a transfer or transfers for and on behalf of the transferor, receive the purchase money in trust for the transferor, and enter the name of the transferee or transferees in the Register of Members.

7 For the purposes of these articles:-

7.1 **"Privileged Relation"** in relation to a member means the member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the member's children and in the case of Sir John Arnold Clark only shall include Lady Philomena Butler Wallace or Clark and in the case of Lady Philomena Butler Wallace or Clark only shall include Sir John Arnold Clark;

7.2 **"Family Trust"** in relation to any member means a trust which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of that member and/or a Privileged Relation of that member and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or such member or his Privileged Relations;

7.3 **"Settlor"** includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased member.



7.4 Notwithstanding any other provision in these articles any member may at any time transfer (or by will bequeath or otherwise dispose of on death) ("**Permitted Transfer**") all or any shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust.

7.5 Where any shares are held by trustees upon a Family Trust:-

7.5.1 on any change of trustees such shares may be transferred to the new trustees of that Family Trust;

7.5.2 such shares may be transferred at any time to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor; and

7.5.3 if and whenever any such shares cease to be held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to another Family Trust of the settlor or to any Privileged Relation of the settlor) a notice in terms of Article 6 shall be deemed to have been given in respect of the relevant shares by the holders thereof and such shares may not otherwise be transferred;

- 8 For a general meeting a quorum shall be two persons personally present and holding or representing by proxy in the aggregate at least one half of the total votes that could be voted on a poll.
- 9 Until otherwise determined by a general meeting the number of Directors shall not be fewer than one or more than ten.
- 10 Sir John Arnold Clark, residing at Crowhill House, Endrick Road, Killearn, Glasgow G63 9QD while a Director shall be Chairman of the Board and failing his acting as Chairman for any reason Lady Philomena Butler Wallace or Clark, residing at Crowhill House aforesaid while a Director shall be Chairman of the Board. Article 91 of Table A is modified to that effect.
- 11 The Directors shall be re-imbursed by the Company of all reasonable expenses and outlays incurred by them in prosecution of the Company's business and attending board meetings.
- 12 The Directors, without prejudice to their general powers, may in the name and on behalf of the Company and from time to time at their discretion borrow from themselves or from others any sum or sums of money for the purposes of the Company without limit as to amount, and that upon such terms and in such manner as they think fit.
- 13 If a member has no registered address in the United Kingdom and has not supplied to the Company an address in the United Kingdom for the giving of notices to him, a notice addressed to him at his last known address in the United Kingdom shall be deemed to be duly given to him on the day on which it is posted.



14 Subject to the provisions of Part V of the Companies Act 1985 the Company may:

- 14.1 pursuant to s159 and s160 of that Act issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder on such terms and in such manner as shall be provided by the Articles of the Company;
- 14.2 pursuant to s162 of that Act purchase its own shares (including any redeemable shares);
- 14.3 pursuant to s155 of that Act give financial assistance for the purchase of its own shares or those of its holding company.

A handwritten signature in black ink, consisting of stylized, cursive letters, likely representing the name of a director or authorized officer of the company.