

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

OF

A. & R. HEPBURN (ENGINEERING) LIMITED

(the "Company")

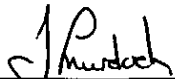
(Registered No. SC064842)

Notice is hereby given that in accordance with Chapter 2 of Part 13 of the Companies Act 2006, on 26 March 2010 the following resolution was passed by the shareholders of the Company by way of written resolution:

IT IS HEREBY RESOLVED THAT:

SPECIAL RESOLUTION

The regulations attached hereto and initialled by a director of the Company for the purposes of identification be and are hereby approved and adopted as the Company's articles of association in substitution for and to the entire exclusion of the existing Articles of Association of the Company.



Director, for and on behalf of
A. & R. Hepburn (Engineering) Limited

26/3/10
Date



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JP

COMPANY LIMITED BY SHARES

ARTICLES of ASSOCIATION

of

A. & R. HEPBURN (ENGINEERING) LIMITED (SC064842)

(the "Company")

(Adopted by a special resolution of the Company passed on 26 March 2010 (the "**Adoption Date**"))

CONSTITUTION OF COMPANY

- 1.1 (a) The Company is established as a private company limited by shares.
- (b) The regulations contained or incorporated in Table A in the Companies (Tables A to F) Regulations 1985 (as amended and/or supplemented from time to time) ("**Table A**") (each being a "**Regulation**") shall be deemed to be incorporated with these Articles and shall apply to the Company with the exception of Regulations 3, 4, 6, 23, 24, 25, 35, 44, 64 to 69 inclusive, 73 to 75 inclusive, 77, 80, 81, 85 to 89 inclusive, 93 to 97 inclusive, 101, 112, 115 and 118 of Table A and any other Regulation which is inconsistent with the additions and modifications hereinafter set forth.
- 1.2 In these Articles unless the context requires a different interpretation:-
- "**2006 Act**" means the Companies Act 2006;
- "**acting in concert**" has the meaning ascribed to it in the City Code on Takeovers and Mergers as in force and construed at the Adoption Date;
- "**Articles**" means these articles of association, together with the Regulations not excluded or modified herein;
- "**Auditors**" means the auditors from time to time of the Company or if the Company has no auditors appointed, its reporting accountants;
- "**Board**" means the Directors of the Company from time to time or the Directors present at a meeting of Directors at which a quorum is present;

"Change of Control" means the acquisition whether by purchase, transfer, renunciation or otherwise) by any person (who is not presently a Member) (the **"Third Party Purchaser"**) of any interest in the Equity Share Capital of the Company if, upon completion of that acquisition, the Third Party Purchaser, together with persons acting in concert or connected with it, would hold more than 50 per cent in nominal value of any class of such Equity Share Capital;

"connected with" has the meaning ascribed to it in section 839 of ICTA 1988 save that there shall be deemed to be control for that purpose whenever either sections 416 or 840 of ICTA 1988 would so require;

"Director" means a director from time to time of the Company;

"Equity Share Capital" shall be defined in accordance with section 548 of the 2006 Act;

"holding company" has the meaning ascribed to it by section 1159 of the 2006 Act;

"ICTA 1988" means the Income and Corporation Taxes Act 1988;

"Irvin's" means Richard Irvin & Sons Limited (00096281);

"Irvin's Directors" means any director appointed to the Company by Irvin's;

"Last Accounts" means the balance sheet and the profit and loss account of the Company for the twelve month period (or, if shortened/extended, such shortened/extended period) ended on the Company's financial year end, immediately prior to the relevant date of the intended transaction;

"Member" means a member of the Company;

"a member of the same group" means, in relation to a company, any company which is from time to time a holding company of such company or a subsidiary of such company or a subsidiary of any holding company of which such company is also a subsidiary;

"permitted transfer" means any transfer of Shares expressly permitted under Article 29;

"Permitted Transferee" has the meaning ascribed to it by Article 29;

"Permitted Transferor" has the meaning ascribed to it by Article 29;

"Put and Call Option Agreement" means a put and call option agreement dated on or about the Adoption Date between Irvin's and McSence Limited (SC129794) (**"McSence"**);

"Shares" means shares in the capital of the Company from time to time;

"subsidiary" has the meaning ascribed to it by section 1159 of the 2006 Act; and

"sufficient distributable reserves" means the Company's accumulated, realised profits, so far as not previously utilised by distribution or capitalisation, less its accumulated realised losses, so far as not previously written off in a reduction or reorganisation of capital duly made, appearing in the Last Accounts.

SHARE CAPITAL

2. (a) Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the Members, the Board shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.
- (b) In accordance with section 567(1) of the 2006 Act, the provisions of sections 561 and 562 of the 2006 Act shall not apply to the Company.
- (c) All Shares which the Board are authorised to issue shall be offered in the first instance to all the Members in proportion to the number of Shares in the Company held by them respectively. The Member to whom the offer is made may elect to accept such offer in respect of a lesser number of Shares than his entitlement and to decline in respect of the balance. Such offer shall be made by notice specifying the number of Shares to which each Member is entitled and prescribing a time (not being less than fourteen days) after which the offer, if not previously accepted, shall be deemed to be declined. After the expiration of that time or on receipt of an intimation from the Member to whom the offer is made that he declines to accept any or all of the Shares offered those Shares so deemed to be declined shall be offered in the proportion aforesaid to the Members who have within the prescribed time accepted all the Shares offered to them. Such further offer shall be made in the same manner and limited by a like prescribed time as the original offer. Any Shares not accepted pursuant to such offer or further offer as aforesaid shall be under the control of the Board who may dispose of such remaining Shares in such manner as they think most beneficial to the Company. The Board may likewise so dispose of any new Shares which (by reason of the ratio which the Shares to be issued bears to the Shares held by a Member entitled to receive notice as aforesaid) cannot in the opinion of the Board be conveniently offered under this Article. For the purposes of this Article the executors or administrators of a deceased Member who was a sole Member shall be treated as the holders of the Shares registered in the name of the deceased Member.
- (d) Every Member, upon becoming the holder of any Shares, shall be entitled without payment to one certificate for all the Shares of each class held by him (and, upon transferring a part of his holding of Shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his Shares upon payment for every certificate after the first, of such reasonable sum as the Board may determine. Every certificate shall specify the number, class and distinguishing numbers (if any) of the Shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for Shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them.

LIEN

3. The lien conferred by Regulation 8 shall attach also to fully paid up Shares and to all Shares registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.

UNDERWRITING

4. The Company may exercise the powers of paying commissions conferred by the 2006 Act. Subject to the provisions of the 2006 Act any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid Shares or partly in one way and partly in the other.

TRANSFER OF SHARES

5. The instrument of transfer of any Share shall be in the form recommended in The Stock Transfer Act 1963, or in such other form as the Board shall from time to time approve and, when lodged for registration, shall be accompanied by the certificate of the Share to be transferred and such other evidence (if any) as the Board may require to prove the title of the intending transferor.
6. All transfers of Shares need be executed by the transferor only and he shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the Register of Members of the Company in respect thereof provided that, in the case of partly paid Shares, the instrument of transfer must also be signed by or on behalf of the transferee.
7. (a) Save for any permitted transfer or a transfer made in accordance with the terms of Article 8 (Compulsory Transfers) or Article 30 (Drag Along Option) or Article 31 (Tag Along Option) and, in any such case, the transfer is not prohibited under Article 32 (Prohibited Transfers), and notwithstanding the succeeding provisions of this Article 7, the Board may decline to register any transfer:-
- (i) of any Share on which the Company has a lien;
 - (ii) of any Share (not being a fully paid share) to a person of whom they do not approve;
 - (iii) of any Share (whether or not it is a fully paid share) made pursuant to paragraph (g) hereof,

provided that if the Board so decline to register any transfer it shall within sixty days of the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal specifying the reason(s) for same.

- (b) Any person proposing to transfer any Shares (hereinafter called the **"proposing transferor"**) shall give notice in writing (hereinafter called the **"Transfer Notice"**) to the Company that he desires to transfer the same and specifying the sum which in his opinion constitutes the fair value thereof. A Transfer Notice shall, on receipt by the Company, constitute the Company the agent of the proposing transferor for the sale of all (but not some of) the Shares referred to therein at the price specified therein, or at such lower price as may be determined in accordance with paragraph (d) hereof.
- (c) The Shares included in any Transfer Notice shall be offered by notice in writing (hereinafter called **"the Option Notice"**) not later than the seventh day after receipt by the Company of the Transfer Notice in the first place to the Members (other than the proposing transferor) as nearly as may be in proportion to the Shares held by them respectively. The Option Notice shall in each case specify the date of receipt by the Company of the Transfer Notice and the price specified therein and shall invite each Member to state in his reply how many (if any) Shares in excess of his proportion he

desires to purchase. The Option Notice shall further limit the time in which the offer may be accepted (not being less than twenty one days from either the date of the Option Notice or the date of the certificate of valuation under paragraph (d) hereof whichever is the longer) and if any Member does not before the expiry of such limit claim by notice in writing the Shares offered to him they shall be used to satisfy the claims for excess Shares in proportion to the existing Shares held by the claimants respectively but so that no such claimant shall be bound to take more excess Shares than he shall have applied for. If any Shares shall not be capable without fractions of being offered to the Members in proportion to their existing holdings, the same shall be offered to the Members or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the Board may think fit. Any Member who desires as above to purchase any Shares included in a Transfer Notice is hereinafter called the "**purchaser**".

- (d) If an intending purchaser or the Board consider that the price specified in the Transfer Notice is in excess of the fair value of the Shares included therein he or they shall not later than the seventh day after receipt of the Option Notice in the case of an intending purchaser or not later than the seventh day after receipt of the Transfer Notice in the case of the Board, request in writing that the Auditors (or, with the agreement of the proposing transferor and the intending purchaser and/or the Board, a person nominated by the President of the Institute of Chartered Accountants in Scotland) certify in writing the sum which in his opinion is the fair value of the Shares included in the Transfer Notice as at the date of the Transfer Notice in accordance with these presents and for the purpose of this Article reference to the Auditors shall be deemed to include any person so nominated. All costs in making such valuation shall be borne by the proposing transferor. In certifying the fair value of the Shares, the Auditors shall be considered to be acting as an expert and not as an arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply.
- (e) If a purchaser or purchasers shall be found for all the Shares included in any Transfer Notice, the Company shall within seven days after the later of the acceptance date specified in the Option Notice and the date of the certificate of valuation given under paragraph (d) of this Article, give notice (hereinafter called "**the Sale Notice**") to the proposing transferor specifying the purchaser(s) of such Shares and the price payable, being the lower of the price specified in the Transfer Notice and the fair value determined as aforesaid. If the fair value determined as aforesaid is less than the price specified in the Transfer Notice the proposing transferor shall within seven days of receipt of the Sale Notice give notice in writing to the Company, stating whether he is prepared to transfer the Shares in pursuance of the Sale Notice. If he is not prepared so to transfer the Shares the Transfer Notice shall be deemed to be revoked, the Company shall no longer be the agent of the proposing transferor for the sale of the Shares and the proposing transferor shall forthwith reimburse the Company the full costs incurred in determining the fair value as aforesaid. If he is prepared to transfer the Shares in pursuance of the Sale Notice, or if the price specified in the Sale Notice is not less than the price specified in the Transfer Notice, the proposing transferor shall upon payment of the said price, transfer the Shares to the purchaser(s), and the Board shall register any transfer pursuant to this paragraph.
- (f) If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any Shares included in the Transfer Notice, the Company may receive the purchase money on his behalf and may authorise some person to execute a transfer of such Shares in favour of the purchaser(s) who shall thereupon be registered

as the holder(s) thereof. The receipt of the Company for the purchase money shall be a good discharge to the purchaser(s).

- (g) If the Company shall not give a Sale Notice to the proposing transferor he shall, not later than the thirtieth day after the expiry of the time allowed for giving a Sale Notice, be at liberty to transfer all or any of the Shares included in the Transfer Notice to any person pursuant to a bona fide sale at any price not less than the price specified in the Transfer Notice or the fair value determined as aforesaid (whichever is the lower) after deducting, (where appropriate), any net dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the proposing transferor, and the proposing transferor shall not be required to give a Transfer Notice in respect thereof during the said period of thirty days. Provided that the Board shall have the powers conferred by paragraph (a) hereof to decline to register any transfer so made.

COMPULSORY TRANSFERS

8.1 In this Article 8, a "**Transfer Event**" occurs, in relation to any Member:

Body Corporate

- (a) if that Member being a body corporate:
 - (i) shall have a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets;
 - (ii) shall appoint or suffer the appointment of an administrator appointed in relation to it; or
 - (iii) shall enter into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
 - (iv) shall have any equivalent action in respect of it taken in any jurisdiction outside Scotland,

and within the following six months the Board resolves that such event is a Transfer Event in relation to that Member for the purposes of this Article 8.

Unauthorised attempted transfer

- (b) if a Member shall attempt to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles and whether or not for value and within the following six months the Directors resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article 8; or

Failure to serve Transfer Notice under specified provisions

- (c) if a Member shall for any reason not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by any express provision of these Articles and within the following six months the Directors resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article 8.

Consequences of Transfer Event determination

- 8.2 Upon the making of a resolution under Article 8.1 that the same is a Transfer Event the Member in respect of whom it is a Transfer Event (a "**Relevant Member**") shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by such Member(s) (a "**Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice. For the purpose of this Article 8, any Shares received by way of rights or on a capitalisation at any time by any person to whom Shares may have been transferred (directly or by means of a series of two or more permitted transfers) shall also be treated as included within the Deemed Transfer Notice.

Offer for sale

- 8.3 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 7 as if they were Shares included in a Transfer Notice and treating as the proposing transferor, the person who is deemed to have given the Deemed Transfer Notice save that:

- (a) the price per share shall be £1.00;
- (b) a Deemed Transfer Notice shall not be revocable;
- (c) the Shares included in any Deemed Transfer Notice shall be offered for sale in the first instance (by issue of an Option Notice) to each of the Members (other than the Relevant Member) who, at the date of the offer are registered as holders of Shares pro rata as nearly as may be to the respective numbers of Shares then held by such Members; and
- (d) if and to the extent that the Shares included in any Deemed Transfer Notice are not accepted by the Members (other than the Relevant Member), before the expiry of a date specified in the Option Notice, or if there are no holders of Shares (other than the Relevant Member), the Board shall (in the former case) within ten days after the expiration of such period or (in the latter case) immediately, offer the Shares for sale (by issue of an Option Notice) to the Company and if the Board so resolves within ten days of such offer and provided that:
 - (i) the Company shall have sufficient distributable reserves from which to fund the price for the Shares; and
 - (ii) shall not be in breach of any financial services authority or other regulatory provisions by so doing,

the Company shall purchase the Shares.

- 8.4 Once a Deemed Transfer Notice shall be given under these Articles in respect of any Share then no permitted transfer may be made in respect of such Share unless and until an Option Notice shall have been served in respect of such share and the period of allocation permitted under Article 7(c) shall have expired without such allocation.

FORFEITURE OF SHARES

9. In Regulation 18 the words "and all expenses that may have been incurred by the Company by reason of such non-payment" shall be added at the end of the first sentence of said Regulation.

GENERAL MEETINGS

10. Every notice convening a general meeting shall comply with the provisions of the 2006 Act as to giving information to Members in regard to their right to appoint proxies. The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom one shall be a duly authorised representative of Irvins. The chairman of the Board shall chair general meetings. If the chairman is unable to attend any general meeting, Irvins shall be entitled to appoint another Irvins Director present at the meeting to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
11. Subject as hereinafter provided if at any adjourned meeting a quorum is not present within half an hour from the time appointed for the adjourned meeting, the meeting shall be dissolved. Provided that if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the adjourned meeting, such of the Members present in person or by proxy shall constitute a quorum. Regulation 41 shall be modified accordingly.
12. In Regulation 43 the words "the members present" shall be held to be deleted and the words "the persons present, being members or proxies for members" shall be inserted in lieu thereof.
13. In Regulation 46 paragraphs (b) to (d) inclusive and the part of said Regulation following thereon shall be held to be delete and the words "(b) by any member present in person or by proxy and entitled to vote" shall be inserted in lieu thereof.

VOTES OF MEMBERS

14. It shall suffice that instruments appointing proxies be deposited at the registered office of the Company at least 24 hours before the time for holding the meeting, and Regulation 62 shall be modified accordingly.

DIRECTORS

15. The minimum number of the Directors shall be determined by the Company in general meeting but failing such determination shall be one. In the event of the minimum number of Directors fixed by or pursuant to these Articles or Table A being one, a sole Director shall have authority to exercise all the powers and discretions by Table A or these Articles expressed to be vested in the Directors generally.
16. A Director shall not be required to hold Shares of the Company in order to qualify for office as a Director but he shall be entitled to receive notice of and attend and speak at every general meeting of the Company and at every separate meeting of the holders of any class of Shares.

ALTERNATE DIRECTORS

17. (a) Any Director (other than as Alternate Director) may at any time appoint any person to be his alternate (hereinafter called an "**Alternate Director**") and may at any time terminate such appointment.
- (b) The appointment of an Alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if the Director concerned (hereinafter called "**his principal**") ceases to be a Director.
- (c) An Alternate Director shall be entitled to receive notice of meetings of the Board and to attend and where applicable vote as a Director and to be counted in the quorum at any such meeting at which his principal is not personally present and generally at such meetings to perform all functions of his principal as a Director. If his principal is for the time being unable to act through ill health or disability an Alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. An Alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles nor the agent of his principal, but he shall, in the execution of his duties as aforesaid, be subject to the provisions of the Articles with regard to Directors.
- (d) An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director, but he shall not be entitled to receive any remuneration from the Company in respect of his appointment as Alternate Director.

DIRECTORS' INTERESTS

18. (a) If a proposed decision of the Board is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is interested, that director is not to be counted as participating in the decision making process for quorum or voting purposes.
- (b) But if paragraph 18(c) applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision making process for quorum and voting purposes.
- (c) This paragraph applies when:-
- (i) the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision making process;
 - (ii) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (iii) the Director's conflict of interest arises from a permitted cause.
- (d) For the purposes of this Article 18, the following are permitted causes:-
- (i) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;

- (ii) subscription, or an agreement to subscribe, for Shares or other securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such Shares or securities; or
 - (iii) arrangements pursuant to which benefits are made available to employees and Directors or former employees and directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former directors.
- (e) For the purposes of this Article 18, references to proposed decisions and decision making processes include any Board meeting or part of a Board meeting.
- (f) Subject to paragraph (g), if a question arises at a meeting of the Board or of a committee of the Board as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive.
- (g) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- (h) Any Irvin's Director shall be entitled from time to time to disclose to Irvins such information concerning the business and affairs of the Company as he shall at his discretion see fit.

GRATUITIES AND PENSIONS

19. The Board may establish and maintain or procure the establishment and maintenance of any non-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 the Company or of any company which is the holding company or a subsidiary company of the Company whether or not they have held any salaried employment or office in the Company or such other company, and the wives, widows, families and dependents of any such persons, and also 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 wellbeing of the Company or of any such other company as aforesaid and make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object and do any of the matters aforesaid either alone or in conjunction with any such other Company aforesaid. Any Director shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument and may vote in favour of the exercise of any of the powers aforesaid notwithstanding that he is or may become interested therein.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

20. The office of Director shall be vacated if the Director:-

- (a) becomes apparently insolvent or makes any arrangement or composition with his creditors generally;
- (b) he is or may be suffering from mental disorder and either:-
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act, 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act, 1984; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
- (c) resigns his office by notice in writing to the Company;
- (d) has his appointment cancelled by the Company in general meeting;
- (e) becomes prohibited by law from being a Director or ceases to be a Director by virtue of any provision of the 2006 Act; or
- (f) shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period and the Board resolves that his office be vacated; or
- (g) is an employee of the Company and ceases to be an employee.

LIABILITY

21. The liability of the Members is limited to the amount, if any, unpaid on the Shares held by them.

PROCEEDINGS OF DIRECTORS

22. (a) The Directors may meet together for the despatch of business, adjourn and otherwise regulate their proceedings as they think fit. Meetings of the Board shall take place at least once every six months. A Director may and the secretary at the request of a Director shall call a meeting of the Directors. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. The post of chairman of the Board shall be held by an Irvin's Director. If the chairman for the time being is unable to attend any meeting of the Board, Irvin's shall be entitled to appoint another Irvin's Director to act as chairman at the meeting. In the case of an equality of votes, the chairman shall have a second or casting vote. A Director who is also an Alternate Director shall be entitled in the absence of his principal to a separate vote on behalf of his principal in addition to his own vote;
- (b) The quorum necessary for the transaction of all business of the Directors shall be three Directors for the time being (determined in accordance with Article 15 hereof) of whom two at least shall be Irvin's Directors, present in person or represented by an Alternate Director appointed under Article 17 hereof;

- (c) A resolution in writing, signed or approved by letter or fax by all the Directors entitled to receive notice of a meeting of Directors or by a sole Director or by all the members of a committee or by a sole member of a committee shall be as valid as a resolution duly passed at a meeting of the Board or of such a committee. When signed, a resolution may consist of several documents each signed by one or more of the persons aforesaid; A resolution signed by an Alternate Director need not also be signed by his principal and if it is signed by a Director who has appointed an Alternate Director it need not be signed by the Alternate Director in that capacity.

THE SEAL

23. If the company has a seal it shall only be used with the authority of the Board or of a committee of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the secretary or a second Director.

ACCOUNTS

24. The Company's accounts and other documents to be prepared by the Directors shall be prepared in accordance with Part 15 of the 2006 Act.

NOTICES

25. Every notice to be given by the Company will be sent by pre-paid letter post or fax to the registered address, or, if appropriate, to the address for the time being supplied for the purpose to the Secretary of the Company by the person entitled to receive the same; every notice to be sent by letter post to an address within the United Kingdom shall be deemed to have been served on the expiry of twenty four hours from the time of posting and every notice to be sent by airmail to an address outwith the United Kingdom shall be deemed to have been served on the expiry of five days from the time of posting and every notice sent by fax shall be deemed to have been served on the expiry of twelve hours from the time when the fax was dispatched by or on behalf of the Company. In the case of joint holders of a share all notices shall be given to the joint holders whose name stands first in the Register of Members of the Company in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A Member whose registered address is not within the United Kingdom and who gives the Company an address within the United Kingdom at which notices may be given to him, shall be entitled to have notices given to him at that address.

WINDING UP

26. If the Company shall be wound-up any Director, agent, trustee or Member of the Company alone or jointly with any other person may become a purchaser of property belonging to the Company.

CLOSE COMPANY

27. The Board may from time to time require any person whose name is entered in the Register of Members of the Company to furnish them with any information which they may consider necessary for the purpose of determining whether or not the Company is a close company within the meaning of section 414 (1) of ICTA 1988; and if such requirement is not complied with they may with-hold any dividends or other payments otherwise due or becoming due in respect of the Shares registered in the name of such person.

INSURANCE

- 28.1 The Board may purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.
- 28.2 In Article 28.1:
- (a) a “**Relevant Officer**” means any Director or former director of the Company, any other officer or employee or former officer or employee of the Company (but not its Auditors); and
 - (b) 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 and/or a member of the same group.

PERMITTED TRANSFERS

29.1 Permitted Transfers

- (a) Any Member may at any time transfer its Shares in accordance with, and subject to the terms of, the Put and Call Option Agreement.
- (b) Irvins may at any time transfer any Share(s) held by it to a member of the same group as it.
- (c) Subject to Article 32.1(b), McSence Limited (SC129794) may at any time transfer any Share(s) held by it to a member of the same group as it.
- (d) Where Shares have been transferred under Articles 29.1(a) or (b) or (c) (whether directly or by a series of such transfers) from a Member (the “**Permitted Transferor**”) to a member of the same group as the Transferor (the “**Permitted Transferee**”) and subsequent to such transfer the Permitted Transferee shall cease to be a member of the same group as the Permitted Transferor, then the Permitted Transferee shall forthwith transfer all the Shares held by it to the Permitted Transferor, for such consideration as they agree and if they do not do so within 28 days of the date upon which the Permitted Transferee ceased to be a member of the same group, the Board may require the Permitted Transferee to serve a Transfer Notice in respect of such Shares.

29.2 Transfers of entire interest

A transfer of any Share pursuant to this Article 29 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance.

DRAG ALONG OPTION

- 30.1 If any one or more Members holding at least 75% of the Shares (together being the "**Selling Members**") wish to transfer all their Shares (the "**Relevant Shares**"), the Selling Members shall have the option (the "**Drag Option**") to require all the other holders of Shares to transfer all their Shares to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this Article 30.
- 30.2 The Selling Members may exercise the Drag Option by giving notice to that effect (a "**Drag Notice**") to all other Members (the "**Dragged Members**") at any time before the registration of the transfer of Shares resulting in the Change of Control. A Drag Notice shall specify that the Dragged Members are required to transfer all their Shares (the "**Dragged Shares**") pursuant to Article 30.1 to the Third Party Purchaser, the price at which the Dragged Shares are to be transferred (determined in accordance with Article 30.4), the proposed date of transfer and the identity of the Third Party Purchaser.
- 30.3 A Drag Notice is irrevocable but the Drag Notice and all obligations thereunder will lapse if for any reason there is not a Change of Control caused by a transfer of Shares by the Selling Members to the Third Party Purchaser within 60 days after the date of the Drag Notice.
- 30.4 The Dragged Members shall be obliged to sell the Dragged Shares at the price specified in the Drag Notice which shall attribute an equal value per Share to each Share comprised within the Equity Share Capital (including the Relevant Shares), plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the Selling Members which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable to the Selling Members for the Relevant Shares, provided always that:
- (a) an equal value shall be attributed to each Share comprised within the Equity Share Capital (including the Relevant Shares) ("**Dragged Equal Value**");
 - (b) if the Dragged Member shall be McSence and the Drag Notice shall be served on or prior to 31 December 2013, the value attributed to each of the Dragged Shares then held by McSence shall be the higher of:
 - (i) (ten per cent of the Company's post tax profits as shown in the audited financial statements for the financial period ended 31 December 2012 (**Drag Accounts**) and multiplied by a factor of three) divided by the number of Dragged Shares then held by McSence;
 - (ii) ten per cent of the Company's net asset value as extracted from the Drag Accounts divided by the number of Dragged Shares then held by McSence;
 - (iii) £31.53;
 - (iv) Dragged Equal Value.
- 30.5 Completion of the sale of the Dragged Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Members' Shares unless:-
- (a) all of the Dragged Members and the Selling Members agree otherwise; or

- (b) that date is less than 7 days after the date of the Drag Notice, when it shall be deferred until the 5th business day after the date of the Drag Notice.
- 30.6 Each of the Dragged Members shall on service of the Drag Notice be deemed to have irrevocably appointed each of the Selling Members severally to be his attorney to execute any stock transfer and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Dragged Shares pursuant to this Article 30.
- 30.7 The provisions of this Article 30 shall prevail over any contrary provisions of these Articles including rights of pre-emption and other restrictions contained in these Articles which shall not apply on any sale and transfer of Shares to the Third Party Purchaser named in a Drag Notice. Any Transfer Notice served in respect of any Share shall automatically be revoked by the service of a Drag Notice.

TAG ALONG OPTION

- 31.1 Subject to Articles 29 (Permitted Transfers) and 30 (Drag Along Option) but notwithstanding any other provision in these Articles, no sale or transfer or other disposition of any interest in any Equity Share Capital (the "**Specified Shares**") shall have any effect if it would result in a Change of Control unless before the transfer is lodged for registration the Third Party Purchaser has made a bona fide offer in accordance with these Articles to purchase at the Specified Price (defined in Article 31.3), all the Shares held by Members who are not acting in concert or otherwise connected with the Third Party Purchaser (the "**Uncommitted Shares**").
- 31.2 An offer made under Article 31.1 shall be in writing, given in accordance with Article 25 (Notices), open for acceptance for at least 21 days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 30 days of the date of the offer.
- 31.3 For the purposes of this Article 31:-
- (a) The expressions "**transfer**", "**Third Party Purchaser**" and "**Member**" include respectively the renunciation of a renounceable letter of allotment, and any renouncer and renounee of such letter of allotment.
- (b) The expression "**Specified Price**" means a price per share equal to the highest price paid or payable by the Third Party Purchaser or persons acting in concert with him or connected with him for any Shares within the last six months (including to avoid doubt the Specified Shares) plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares, provided always that an equal value shall be attributed to all Shares including the Specified Shares ("**Tagged Equal Value**"), provided always that:
- (1) if the Member holding Uncommitted Shares shall be McSence and the offer made under Article 31.1 shall be served on or prior to 31 December 2013, the Specified Price attributed to each of the Uncommitted Shares then held by McSence shall be the higher of:
- (1.1) (ten per cent of the Company's post tax profits as shown in the audited financial statements for the financial period ended 31 December 2012

(**Drag Accounts**) and multiplied by a factor of three) divided by the number of Uncommitted Shares then held by McSence;

- (1.2) ten per cent of the Company's net asset value as extracted from the Drag Accounts divided by the number of Uncommitted Shares then held by McSence;
 - (1.3) £31.53;
 - (1.4) Tagged Equal Value.
- (c) If the Specified Price or its cash equivalent cannot be agreed between the Third Party Purchaser and Members holding more than 50 per cent of the class of Shares concerned (excluding the Third Party Purchaser and persons acting in concert or otherwise connected with him), within 21 days of the proposed sale or transfer referred to in Article 31.1 it may be referred to the Auditors by any Member and, pending its determination, the sale or transfer referred to in Article 31.1 shall have no effect.

PROHIBITED TRANSFERS

- 32.1 Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if:
- (a) if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind; or
 - (b) if it is by McSence Limited (SC129794) in the period between the Adoption Date and the date of the expiry of the Call Option (as defined in the Put and Call Option Agreement).

INDEMNITY

- 33.1 A Relevant Director shall be indemnified out of the Company's assets against any liability (other than a liability to the Company or an associated company) which that Director incurs in connection with:
- (a) civil proceedings relating to the Company or an associated company (other than a liability incurred in defending proceedings brought by the Company or an associated company in which final judgment is given against the Director);
 - (b) criminal proceedings relating to the Company or an associated company (other than a fine imposed in such proceedings, or a liability incurred in defending proceedings in which the Relevant Director is convicted and the conviction is final);
 - (c) regulatory action taken by or a regulatory investigation by a regulatory authority in relation to the Company or an associated company (unless a sum is payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising));
 - (d) any application for relief under:
 - (i) sections 144(3) or (4) of the 2006 Act (acquisition of Shares by innocent nominee); or

- (ii) section 1157 of the 2006 Act (general power of court to grant relief in case of honest and reasonable conduct),

unless the court refuses to grant the Director relief, and the refusal of relief is final; or

- (e) civil proceedings in relation to an occupational pension scheme (as defined in section 235(6) of the 2006 Act) of which the Company is a trustee in respect of liability incurred in connection with the Company's activities as a trustee of the scheme (other than a fine imposed in criminal proceedings, a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising) or a liability incurred in defending proceedings in which the Director is convicted and the conviction is final).

33.2. A judgment, conviction or refusal of relief becomes final:

- (a) if not appealed against, at the end of the period for bringing an appeal; or
- (b) if appealed against, at the time when the appeal (or any further appeal) is disposed of.

33.3 An appeal is disposed of:

- (a) if it is determined and the period for bringing any further appeal has ended; or
- (b) if it is abandoned or otherwise ceases to have effect.

33.4 For the purposes of this Article 33:

- (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 Director**" means any Director or former director of the Company.

IRVIN'S DIRECTORS

34.1 Irvin's shall be entitled to appoint a maximum of four persons to be Irvin's Directors.

34.2 Any Irvin's Director may at any time be removed from office by Irvin's.

34.3 If any Irvin's Director shall die or be removed from or vacate his office for any cause, Irvin's shall appoint in his place another person to be an Irvin's Director.

34.4 Any appointment or removal of an Irvin's Director pursuant to this Article shall be in writing and signed by or on behalf of Irvin's and served on the other shareholder and the Company at its registered office, marked for the attention of the company secretary or delivered to a duly constituted meeting of the Board. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.