

WALTER SCOTT & PARTNERS LIMITED

(Registered Number SC093685)

NOTICE OF WRITTEN RESOLUTION

Notice is hereby given that, in accordance with section 381A of the Companies Act 1985 (as amended), on 26th August 2004 the following resolutions were passed by all the members of Walter Scott & Partners Limited (the "Company") by way of written resolution:

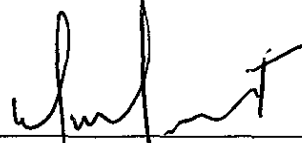
WRITTEN RESOLUTION

"THAT:

- (a) the authorised share capital of the Company be and is hereby increased to £30,100 by the creation of an additional 10,000 ordinary shares of £1 each having the rights attached to the ordinary shares of £1 each set out in the articles of association of the Company to be adopted in terms of paragraph (d) below and ranking *pari passu* in all respects with the existing ordinary shares of the Company;
- (b) in substitution for any existing power under section 80 of the Companies Act 1985 (as amended) (the "Act"), but without prejudice to the exercise of any such authority prior to the date hereof, the Directors be and are hereby generally and unconditionally authorised in accordance with section 80 of the Act to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) of the Act) up to an aggregate nominal amount of £10,000, such authority to expire on 26 August 2009 but so that such authority shall allow the Company to make offers or agreements before the expiry of such authority which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offers or agreements as if the power conferred hereby had not expired;
- (c) in substitution for any existing power under section 95 of the Act, the Directors be and are hereby generally and unconditionally empowered pursuant to section 95 of the Act, to allot equity securities (as defined in section 94(2) of the Act) for cash pursuant to the above authority given in accordance with section 80 of the Act as if section 89(1) of the Act did not apply to the allotment such power to expire on 26 August 2009 but so that such power shall allow the Company to make offers or agreements before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired;
- (d) the regulations contained in the document attached hereto and for the purposes of identification signed by each Member be and are hereby approved and adopted as the articles of association of the Company and in substitution for and to the exclusion of all existing articles of association of the Company; and



- (e) the entry into by the Company of any contingent purchase contract as a result of the adoption of the Articles of Association referred to at resolution (d) above be and is hereby approved both for the purposes of Section 165 of the Companies Act 1985 (as amended), and otherwise."



Director, for and on behalf of
Walter Scott & Partners Limited

Date: 26.8.04,

THE COMPANIES ACTS 1948 TO 1983
THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

of

WALTER SCOTT & PARTNERS LIMITED

(Adopted by Special Resolution passed on *26th* August 2004)

PRELIMINARY

1. The Regulations in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 and the Companies Act 1985 (Electronic Communications) Order 2000 (hereinafter called "Table A") shall apply to the Company save to the extent that they are excluded by or are inconsistent with any of these Articles.

INTERPRETATION

2.
 - (1) Regulation 1 of Table A shall apply to these Articles as it applies to the Regulations in Table A.
 - (2) In Table A references to the Act shall be construed as references to the Companies Act 1985 (as amended from time to time).

SHARE CAPITAL

3.
 - (1) Section 80 of the Act shall apply to the Company in relation to shares allotted in pursuance of an employees' share scheme as it applies to the allotment of "relevant securities" within the meaning of that section.
 - (2) Section 89(1) of the Act and Section 90(1) to (6) shall not apply. Subject to paragraph (3) of this Article 3 and save as authorised or required by ordinary resolution of the Company in general meeting, no shares in the present or any increased capital of the Company shall be allotted, whether for cash or otherwise, on any terms unless they have first been offered to each person who holds ordinary shares in the Company in proportion, as nearly as may be, to the number of ordinary shares held by him, and on the same or more favourable terms, and either the period during which such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made. Every such offer shall be made in writing and shall stipulate a time, being not less than fourteen days after the date of the offer, on the expiry of which the offer will be deemed to have been declined. In the case of the Directors proposing to allot shares for a consideration other than cash, and otherwise than

in the said proportions, the price at which (in the absence of any such authority or requirement as above referred to) the shares are to be offered to the holders of the ordinary shares as aforesaid shall be the cash equivalent of the said consideration. For this purpose the cash equivalent means the cash sum which shall be certified by the Auditors of the Company for the time being, or if they shall be unwilling to give such certificate, by an independent chartered accountant nominated by the Directors, acting as experts and not as arbiters, as being equal to the value of the said consideration. If it appears to the person giving such certificate to be proper for a valuation to be made by some other person having specialist knowledge and experience, the person giving such certificate shall be entitled, as agent of the Company and at the expense of the Company, to instruct such a person to give such valuation, acting as an expert and not as an arbiter. The certificate of the Auditors or of any independent chartered accountant nominated as aforesaid shall be final and binding.

- (3) Any shares not accepted as aforesaid, and any shares which, by reason of the ratio which the shares to be issued bear to the ordinary shares held by persons entitled to an offer thereof, cannot, in the opinion of the Directors, conveniently be offered under paragraph (2) of this Article shall be at the disposal of the Directors, who may allot the same to such persons, at such times and on such terms as they think proper.
 - (4) In this Article 3, references to the allotment of shares include the grant of a right to subscribe for or to convert any securities into shares in the Company, but such a reference does not include the allotment of any shares pursuant to such a right.
4. Regulation 5 of Table A shall not apply. The Company shall be entitled, but shall not be bound, to accept and, in case of acceptance, shall be entitled to record in such manner as it may think fit notices of any trusts in respect of any of the shares of the Company. Notwithstanding any such acceptance and/or the making of any such record, the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were absolute owners thereof. For the purpose of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in case of transmission thereof as are hereinafter mentioned.

LIEN

- 5. Regulation 8 of Table A shall not apply. The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share and, in the case of a share standing registered in the name of a single person, for all moneys

presently payable by that person or his estate to the Company. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount payable in respect of that share.

TRANSFER OF SHARES

6. (1) For the purposes of this Article, where any person is unconditionally entitled to be registered as the holder of a share he and not the registered holder of such share shall be deemed to be a member of the Company in respect of that share.
- (2) No share in the Company shall be disposed of save in accordance with the provisions of this Article.
- (3) Every member who desires to dispose of any share or shares (hereinafter called "the vendor") shall give to the Company notice in writing of such desire (hereinafter called "transfer notice") and shall at the same time deposit with the Company the share certificate(s) in respect of such share or shares. In the event of the vendor desiring to dispose of shares of different classes, a separate transfer notice shall be given in respect of the share or shares of each class. Within 28 days after receipt of a transfer notice the Company shall purchase the shares specified in the transfer notice (the "Transfer Shares") and the price payable by the Company shall be the par value of the Transfer Shares.
- (4) The vendor shall be bound to transfer the Transfer Shares to the Company in accordance with the terms of paragraph (3) of this Article; and if he shall fail to do so, the Chairman of the Company or some other person appointed by the Directors shall be deemed to have been appointed attorney of the vendor with full power to execute, complete and deliver, in the name and on behalf of the vendor, transfers of the Transfer Shares to the Company together with such other documentation as may be required to complete the purchase of the Transfer Shares by the Company. The Company shall forthwith pay the price payable to the vendor into a separate bank account in the Company's name and shall hold such price in trust for the vendor.
- (5) Subject to paragraph (8) of this Article in the event of the death or bankruptcy of a member, that member or his personal representatives or trustee in sequestration shall be deemed to have given a transfer notice in respect of his entire holding of shares in the Company on the date on which any Director or the Secretary of the Company becomes aware of the death or bankruptcy of that member and the provisions of paragraphs (3) and (4) of this Article shall apply accordingly.
- (6) The holders of a majority by way of nominal value of the shares in issue from time to time (the "Majority Holders") may deliver to the Directors of the Company a notice (a "Company Purchase Notice") requiring the Company to purchase such number of shares in the

Company (the "Called Shares") from such shareholder or shareholders in the Company (each a "Called Shareholder") as are prescribed in the Company Purchase Notice. The purchase price per Called Share the subject of a Company Purchase Notice shall be the nominal value of the relevant share. The Directors, the Company and each Called Shareholder shall be obliged to comply with the terms of any such Company Purchase Notice and each shareholder, Director and the Company shall procure that all necessary steps are taken to complete the purchase of the Called Shares the subject of the Company Purchase Notice. Each Called Shareholder shall be bound to transfer the relevant Called Shares to the Company in accordance with this paragraph (6) of this Article and if a Called Shareholder shall fail to do so, the Chairman of the Company or some other person appointed by the directors shall be deemed to have been appointed attorney of the Called Shareholder with full power to execute, complete and deliver, in the name and on behalf of the Called Shareholder transfers of the Called Shares to the Company together with such other documentation as may be required to complete the purchase of the Called Shares by the Company. The Company shall forthwith pay the price payable to the Called Shareholder into a separate bank account in the Company's name and shall hold such price in trust for the Called Shareholder.

- (7) For so long as Walter Grant Scott of 21 Moray Place, Edinburgh EH3 6DA ("Dr. Scott") or his personal representatives or his Privileged Relations (as hereafter defined) shall be the holder of any share in the capital of the Company, Dr. Scott (or, if Dr. Scott is no longer a member, whichever of his personal representatives or Privileged Relations holds the largest shareholding in the Company) shall be entitled by notice in writing to the Company to disapply, in whole or in part, the provisions of paragraphs (3) to (6) of this Article and to permit the transfer of shares in the Company on such terms as he in his sole discretion considers fit. For so long as Marilyn Ruth Harrison of 21 Manse Road, Roslin, Midlothian EH25 9LF ("Miss Harrison") or her personal representatives or her Privileged Relations (as hereafter defined) shall be the holder of any share in the capital of the Company, Miss Harrison (or, if Miss Harrison is no longer a member, whichever of her personal representatives or Privileged Relations holds the largest shareholding in the Company) shall be entitled by notice in writing to the Company to disapply, in respect of the shares in the capital of the Company then held by Miss Harrison and/or her personal representatives and/or her Privileged Relations (the "Harrison Shares") and in whole or in part, the provisions of paragraph (5) of this Article and, to the extent they would otherwise be applicable as a result of the application of paragraph (5) of this Article to the Harrison Shares, paragraphs (3) and (4) of this Article provided always that any such disapplication by Miss Harrison (or her personal representatives or Privileged Relations) shall cease to apply to Harrison Shares upon such Harrison Shares ceasing to be held by Miss Harrison or her personal representatives or her Privileged Relations.

(8) Notwithstanding any other provision of these Articles:-

- (a) Dr. Scott and his personal representatives on death shall be entitled to transfer any of the shares held by him to any of his Privileged Relations (as hereafter defined) (each a "Permitted Transferee"); and
- (b) Miss Harrison and her personal representatives on death shall be entitled to transfer any of the shares held by her to any of her Privileged Relations or Dr. Scott's Privileged Relations (each a "Permitted Transferee"),

and the Board shall be obliged to register any such transfer and the provisions of paragraphs (3) to (6) and paragraph (9) of this Article 6 shall not apply to any such transfer. Further, paragraph (10) of this Article 6 shall not apply on the death of Dr Scott, Miss Harrison or any of their Permitted Transferees and their personal representatives shall be entitled to transfer any shares held by them as a result of the relevant death to the Privileged Relations of Dr Scott, Miss Harrison or the relevant Permitted Transferee. For the purposes of the Articles "Privileged Relations" in relation to any party shall mean the spouse or widow or widower of that party or the permanent cohabiting partner of that party who has been approved by the Directors for the purposes of this definition and the party's children (including step and adopted children) and grandchildren (including step and adopted children of the member's children).

(9) Subject to the provisions of paragraph (10) of this Article:

- (a) any share may be transferred by a member to the spouse, child or remoter issue, parent or remoter ancestor, or brother or sister of that member, or trustees of trusts whose beneficiaries are the above mentioned relatives of a member only, or upon a change of such trustees, and shares standing in the name of the representatives of any deceased member may be transferred upon any change of said representatives to the representatives for the time being of such deceased member, and
- (b) any share may be transferred by a member, being a corporate body, to any other corporate body being a subsidiary of it or of which it is a subsidiary or which is a subsidiary of its holding company;

and the rights of pre-emption hereinbefore conferred in this Article shall not arise on the occasion of any such transfers.

(10) The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share, whether or not it is a fully paid share, save any transfer made in accordance with paragraphs (3) to (8) inclusive of this Article, which they may decline to register only on the ground that the Company has a lien on the share.

- (11) The Directors shall decline to register any transfer of shares made in contravention of paragraph (3) to (8) of this Article.
- (12) Reference in this Article to the disposal of shares includes reference to the transfer of shares, the transfer of beneficial ownership of shares, the renunciation of a conditional or unconditional right to receive an allotment of shares, the transfer or grant to any third party of any rights conferred by the holding of shares or of any interest therein, the conclusion of any contract, conditional contract, option or other right to acquire shares or any interest therein, any transaction or arrangement which in form or in substance operates by way of a mortgage, charge or other security and any other transaction or arrangement which in substance operates as a disposal of shares or of any interest therein or right conferred thereby, but shall not include the grant of a general or special proxy in relation to a specified general meeting of the Company.
- (13) Reference in this Article to a disposal by way of sale includes references to a transaction whereby shares are transferred or beneficial ownership thereof is transferred to a third party in consideration of a cash sum or in exchange or part exchange for a non-cash asset.

PROCEEDINGS AT GENERAL MEETINGS

- 7. Regulation 46 of Table A shall not apply. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of, the show of hands a poll is demanded. Subject to the provisions of the Act, a poll may be demanded by any member present in person or by proxy.

NUMBER OF DIRECTORS

- 8. Unless otherwise determined by ordinary resolution, the number of directors (other than Alternate Directors) shall not be subject to any maximum but shall not be less than two; provided that if at any time there is only one Director, or if the number of Directors falls below that determined by ordinary resolution to be the minimum number, that Director, or that number of Directors, may act for the purposes of convening a general meeting of the Company and of appointing a person who is willing to act to be a Director. The provisions of Regulation 79 of Table A shall apply to any person so appointed.

ALTERNATE DIRECTORS

- 9. Regulation 66 of Table A shall not apply. An Alternate Director shall be entitled to receive notice of all meetings of Directors and of committees of Directors of which his appointer is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointer as a Director in his absence.
- 10. Regulation 68 of Table A shall not apply. Any appointment or removal of an Alternate Director may be made by letter, cable, telex, telegram or facsimile

message or in any other manner approved by the Directors. Any cable, telex, telegram or facsimile message shall be confirmed as soon as possible by letter, but may be acted upon by the Company meanwhile.

11. The remuneration of any Alternate Director shall be payable out of the remuneration of the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the Alternate Director and his appointer.
12. An Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote.

APPOINTMENT AND RETIREMENT OF DIRECTORS

13. Directors shall not retire by rotation and accordingly Regulations 73, 74, 75 and 80 of Table A shall not apply. In Regulation 79 of Table A the words "and shall not be taken into account in determining the directors who are to retire by rotation at the meeting" shall be omitted.
14. Regulations 76 and 77 of Table A shall not apply. Subject to Article 15, no person shall be appointed or re-appointed a Director at any general meeting unless:-
 - (a) he is recommended by the Directors; or
 - (b) not less than three nor more than twenty one clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment together with notice executed by that person of his willingness to be appointed or re-appointed.
15. Notwithstanding any other provision of these Articles for so long as Dr Scott or his personal representatives or his Privileged Relation shall be the holder of any share in the capital of the Company, Dr Scott (or, if Dr Scott is no longer a member, whichever of his personal representatives or Privileged Relations holds the largest shareholding in the Company) shall be entitled to appoint a Director or Directors of the Company and to remove from office any Director however appointed. Every appointment or removal made pursuant to this Article shall be effected by notice in writing addressed to the Company and delivered to or lodged at the registered office of the Company and signed by the relevant appointing party, and shall take effect as at the time of delivering or lodgement or at such later time as shall be specified therein.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

16. In paragraph (c)(i) of Regulation 81 of Table A for reference to the Mental Health Act 1983 there shall be substituted reference to the Mental Health Act

1983 (as amended from time to time) and for reference to the Mental Health (Scotland) Act 1960 there shall be substituted reference to the Mental Health (Scotland) Act 1984 (as amended from time to time).

REMUNERATION OF DIRECTORS

17. Regulation 82 of Table A shall not apply. The remuneration of the Directors shall be determined by the Company in General Meeting from time to time. Such remuneration shall be divided among the Directors in accordance with the determination of the Company in General Meeting or in such proportions as may be agreed by all the Directors; but, in default of such determination or agreement, if all the Directors have been in office throughout the year, the remuneration shall be divided equally among them, and if they have not, it shall be divided among them rateably in proportion to the parts of the year during which they have respectively been Directors.

DIRECTORS' EXPENSES

18. Regulation 83 of Table A shall not apply. The Directors (including alternate Directors) may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or General Meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the business of the Company.
19. Any Director who, being so requested by the Directors, performs special or extraordinary services on behalf of the Company, or who, for the purpose of discharging his duties, travels to or resides in any place other than that in which he usually resides may be paid such extra remuneration (whether by way of lump sum, commission or participation in profits or otherwise) as the Directors may determine.

DIRECTORS' GRATUITIES AND PENSIONS

20. Regulation 87 of Table A shall not apply. The Directors may grant retirement pensions or annuities or other gratuities or allowances, including allowances on death to any person or to the widow or dependents of any person in respect of services rendered by him to the Company in any office or employment under the Company or indirectly as an officer or employee of any subsidiary company of the Company, notwithstanding that he may be or may have been a Director of the Company, and the Company may make payments towards insurances or trusts for such purposes in respect of such person and may include rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person.

PROCEEDINGS OF DIRECTORS

21. A resolution of which any Director has signified his approval by letter or facsimile message shall be as valid and effectual as a resolution in writing signed by that Director.
22. Regulations 94 to 98 of Table A shall not apply. A Director may vote in

respect of any contract or arrangement notwithstanding that he may be interested therein and if he does so he may be counted in the quorum at any meeting of the Directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.

THE SEAL

23. Regulation 101 of Table A shall not apply. The Directors shall provide for the safe custody of the Seal of the Company, which shall be affixed to all documents required to be under seal in the presence of such person or persons and subject to such regulations as the Directors shall from time to time prescribe.

WINDING UP

24. If the Company shall be wound up the assets remaining after payment of the debts and liabilities of the Company and the costs of the liquidation shall first be applied in repaying to the members the amounts paid or credited as paid on the shares held by them respectively and the balance (if any) shall be distributed among the members in proportion to the number of shares held by them respectively; Provided always that the provisions hereof shall be subject to the rights of the holders of shares (if any) issued upon special conditions.

INDEMNITY

25. Subject to the provisions of the Act but without prejudice to any indemnity which may otherwise be available, every Director, Managing Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by and out of the assets of the Company against:-
 - (a) all charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto; and
 - (b) any liability incurred by him in:-
 - (i) defending any proceedings in relation to the affairs of the Company, whether civil or criminal, in which judgement is not given against him; or
 - (ii) in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.