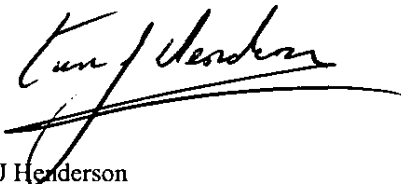


THE COMPANIES ACTS 1985 TO 2006
SPECIAL RESOLUTION
OF
PRIVATE COMPANY LIMITED BY SHARES
WILLIAM GRANT & SONS HOLDINGS LIMITED

Notice is hereby given that on 26th April 2013 the following resolution was passed by the shareholders of William Grant & Sons Holdings Limited ("the Company") by way of a **SPECIAL RESOLUTION**:-

SPECIAL RESOLUTION

The articles of association of the Company be amended by deleting all of the provisions of the Company's memorandum of association which, by virtue of section 28 of the Companies Act 2006, are treated as part of the Company's articles of association; and the draft regulations produced at the meeting and initialled by the Chairman of the meeting and the Company Secretary for the purposes of identification be adopted as the articles of association of the Company in substitution for, and to the entire exclusion of, the articles of association of the Company existing at the date of the meeting.



Ewan J Henderson
Company Secretary



COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

WILLIAM GRANT & SONS HOLDINGS LIMITED

(Registered No. SC282845)

(Adopted by special resolution passed on 26 April 2013)

TABLE A EXCLUDED

1. The regulations contained in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 (and any amendment, re-enactment or substitution thereof from time to time including that made by the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment No. 2) Regulations 2007) shall not apply to the Company except insofar as they are repeated or contained in these Articles.

INTERPRETATION

2. In these Articles the words standing in the first column of the table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context -

WORDS

MEANINGS

The Act

The Companies Act 2006 (as amended from time to time).

The Articles

These articles of association as altered from time to time and the expression "this Article" shall be construed accordingly.

The Auditors	The auditors of the Company from time to time.
The Directors	The Directors for the time being of the Company other than Special Directors.
Infant	A person who has not yet attained the age of eighteen.
Month	Calendar month.
The Office	The registered office for the time being of the Company.
The Seal	The common seal of the Company.
Special Director	Has the meaning given in Article 112.
The Statutes	The Act and every other statute (including any orders, regulations or other subordinate legislation made under it) from time to time in force concerning companies in so far as it applies to the Company.
The United Kingdom	Great Britain and Northern Ireland.
Year	Calendar year.

Writing shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form other than in electronic form unless specifically provided for in a particular Article or where permitted by the board of Directors in its absolute discretion.

Words importing the singular number only shall include the plural number, and vice versa.

Words importing the masculine gender only shall include the feminine gender.

Words importing persons shall include corporations.

The expression "debenture" and "debenture-holder" shall include "debenture stock" and "debenture stockholder."

Subject as aforesaid, any words or expressions defined in the Statutes shall, except where the subject or context forbids, bear the same meanings in these Articles.

The words "subsidiary" and "holding company" shall be construed in accordance with sections 1159 and 1160 of the Act and "subsidiary" shall be construed to include "subsidiary undertaking" as that term is defined in section 1162 of the Act.

References to a document being "signed" or "executed" or to "signature" shall be construed as including references to it being executed under hand or under seal or by any other method, as permitted by the board of Directors in its absolute discretion.

Unless otherwise stated, any reference herein to the provisions of any statute shall extend to and include any amendment or re-enactment of or substitution for the same effected by any subsequent statute provided that no modification or re-enactment after the date of adoption of these Articles of any statutory provision, instrument, regulation or order in force at that date shall be construed as imposing on any person any greater obligation than would have been the case if the statutory provision, instrument, regulation or order in force at the date of adoption of these Articles continued to apply.

LIABILITY OF MEMBERS

3. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

UNRESTRICTED OBJECTS

4. In accordance with the Act the Company's objects shall be unrestricted.

FORM OF RESOLUTION

5. (A) Subject to the Statutes, where for any purpose an ordinary resolution of the Company is required, a special resolution shall also be effective.

(B) Notwithstanding the provisions of the Act relating to members' written resolutions, a resolution in writing executed by or on behalf of each member

who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall, in accordance with the principle established in *Re Duomatic Limited* [1969] 2 Ch 265, be as effectual as if it had been passed at a general meeting properly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more of the members.

SHARES

6. The authorised share capital of the Company at the date of the adoption of this Article is £2,695,000 divided into 2,450,000 10 per cent. Cumulative Preference Shares of £1 each, 122,500 Ordinary Shares of £1 each and 122,500 Unclassified Shares of £1 each. The said 10 per cent. Cumulative Preference Shares ("the Preference Shares") and Ordinary Shares shall respectively confer on the holders thereof the rights and subject them to the restrictions following, namely:-

(A) AS REGARDS INCOME

The profits which the Company determines to distribute in respect of any financial year shall be applied firstly in paying the holders of the Preference Shares a fixed cumulative preferential dividend at the rate of 10 per cent. per annum on the amounts paid or credited as paid up on the Preference Shares held by them respectively such preferential dividend to be due and payable half-yearly on the 31st day of May and the 30th day of November in each year in respect of the half-years ending on those dates of (the first such preferential dividend being payable on 31st May 2005 and being calculated, notwithstanding either the date of incorporation of the Company or the date upon which such shares shall be issued, in respect of the period from 1st December 2004 to 31st May 2005, as if such Preference Shares had been in issue and fully paid throughout such period), and (subject to the rights of any other shares for the time being in issue ranking in priority to the Ordinary Shares) the balance of the said profits determined to be distributed shall be distributed amongst the holders of the Ordinary Shares according to the amounts paid or credited as paid up on the Ordinary Shares held by them respectively.

(B) AS REGARDS CAPITAL

In the event of a return of capital upon the Company being wound up or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied firstly in repaying to the holders of the Preference Shares the amounts paid or credited as paid up on the Preference Shares held by them respectively (together with a sum equal to any arrears or accruals of the fixed dividend thereon to be calculated down to the day of the return of the capital and to be payable irrespective of whether such dividend has been declared or earned or not) and secondly (subject to the rights of any other shares for the time being in issue ranking in priority to the Ordinary Shares) the balance shall belong to and be distributed amongst the holders of the Ordinary Shares in proportion to the amounts paid or credited as paid up on the Ordinary Shares held by them respectively.

(C) AS REGARDS VOTING RIGHTS

The Preference Shares shall not entitle the holders thereof to receive notice of or to attend or vote at any general meeting unless:-

- (i) at the date of the notice convening the general meeting a dividend due to any of the holders of the Preference Shares is six months in arrears;
- (ii) the business of the meeting includes the consideration of a resolution altering Article 101 hereof (limit to Directors' borrowing powers) or varying any of the special rights or privileges attaching to the Preference Shares;

AND provided that the holder of any Preference Shares having the right to receive notice of and attend a general meeting by virtue of paragraph (C) (ii) of this Article 6 shall only have the right to vote in relation to the resolutions to be proposed at the general meeting which gave rise to the holders of the Preference Shares having the right to receive notice of and to attend the meeting.

(D) AS REGARDS CREATION OF FURTHER SHARES

No further shares may be created ranking in priority to the Preference Shares as to dividend or return of capital on winding up or otherwise (apart from a return of capital on redemption) except with such consent or sanction on the

part of the holders of such Preference Shares as is provided by Article 64 hereof but the special rights conferred upon the holders of the Preference Shares shall be deemed not to be varied by the creation or issue of further shares ranking *pari passu* with the Preference Shares whether redeemable or irredeemable and whether carrying the same or a different rate or rates of dividend and whether or not carrying the right upon a repayment of capital in a winding up or otherwise to a premium or premiums provided that notwithstanding the foregoing there shall be deemed to be a variation of the rights conferred upon the holders of the Preference Shares if immediately after the creation or issue of any further shares ranking *pari passu* therewith the aggregate of the nominal amount of the Preference Shares and of the nominal amount of and any fixed or minimum premium payable on shares ranking *pari passu* therewith would exceed 20 per cent. of the Adjusted Capital and Reserves as defined in Article 101 hereof.

7. Any preference share may, subject to the rights attaching to the Preference Shares and with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company is liable, to be redeemed.
8. If two or more persons are registered as joint holders of any share, any one of such persons may give effectual receipts for any dividends or other moneys payable in respect of such share.
9. 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.
10. (A) Every share certificate shall be issued under the Seal (or, in the case of shares on a branch register, an official seal for use in the relevant territory) or in such other manner as the Directors may authorise, and shall specify the number and class and distinguishing numbers (if any) of the shares to which

it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class.

- (B) In the case of a share held jointly by several persons the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.
 - (C) Any person (subject as aforesaid) whose name is entered in the register of members in respect of any shares of any one class upon the issue or transfer thereof shall be entitled without payment to a certificate therefor (in the case of issue) within one month (or such longer period as the terms of issue shall provide) after allotment or (in the case of transfer) within fourteen days after lodgement of transfer.
 - (D) Where part only of the shares comprised in a share certificate are transferred the old certificate shall be cancelled and a new certificate for the balance of such shares issued in lieu without charge.
11. (A) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- (B) Any member may surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more certificates representing such shares in such proportions as he may specify and the Company shall comply with such request.
 - (C) If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed a new certificate representing the same shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, or stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in connection with the request as Directors may think fit.
 - (D) In the case of shares held jointly by several persons any such request may be made by any one of the joint holders.

LIEN

12. The Company shall have a first and paramount lien upon all Preference Shares (other than fully paid Preference Shares) and all other shares (whether fully paid or not) registered in the name of any member, either alone or jointly with any other person, for his debts, liabilities and engagements, whether solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors may at any time declare any share to be exempt, wholly or partially, from the provisions of this Article.
13. The Company may sell, in such manner as the Directors may decide, the shares subject to any such lien at such time or times but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof are or is presently payable or the liability or engagement in respect of which such lien exists is liable to be presently fulfilled or discharged, and until a demand and notice in writing stating the amount due or specifying the liability or engagement and demanding payment or fulfilment or discharge thereof and giving notice of intention to sell in default shall have been served on such member or the persons (if any) entitled by transmission to the shares, and default in payment, fulfilment or discharge shall have been made by him or them for seven days after such notice.
14. The net proceeds, after payment of the costs, of any such sale shall be applied in or towards satisfaction of the amount due to the Company, or of the liability or engagement, as the case may be, and the balance (if any) shall be paid to the member or the persons (if any) entitled to the shares so sold.
15. Upon any such sale as aforesaid, the Directors may authorise some person to transfer the share sold to the purchaser and may enter the purchaser's name in the register as holder of the shares, and the purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
16. No member shall be entitled to receive any dividend or to exercise any privilege as a member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any).

CALLS ON SHARES

17. The Directors may, subject to the provision of these Articles, from time to time make such calls upon the members in respect of all moneys unpaid on their shares as they think fit, provided that one month's notice at least is given of each call and each member shall be liable to pay the amount of every call so made upon him to the persons, by the instalments (if any) and at the times and places appointed by the Directors.
18. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.
19. The joint holders of a share shall be jointly and severally liable to the payment of all calls and instalments in respect thereof.
20. If before or on the day appointed for payment thereof a call or instalment payable in respect of a share is not paid, the person from whom the same is due shall pay interest on the amount of the call or instalment at such rate not exceeding 10 per cent per annum as the Directors shall fix from the day appointed for payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.
21. Any sum which by the terms of allotment of a share is made payable upon allotment or at any fixed date, whether on account of the nominal amount of the share or by way of premium, shall, for all purposes of these Articles, be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture and the like, and all the other relevant provisions of these Articles, shall apply as if such sum were a call duly made and notified as hereby provided.
22. The Directors may, from time to time, make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and in the time of payment of such calls.
23. The Directors may, if they think fit, receive from any member willing to advance the same all or any part of the moneys due upon his shares beyond the sums actually called up thereon, and upon the moneys so paid in advance, or so much thereof as exceeds the amount for the time being called up on the shares in respect of which such advance has been made, the Directors may pay or allow such interest as may be

agreed between them and such member, in addition to the dividend payable upon such part of the share in respect of which such advance has been made as is actually called up.

THE SHAREHOLDERS COMMITTEE

24. (1) There shall be constituted by the Company a committee ("the Shareholders Committee") the members of which shall be:

Sally Isobel Gordon
William Grant Gordon
Grant Edward Gordon
Grant Glenn Gordon
Lloyd Grant Gordon
Arthur Chamberlain
Mrs. Benedicta Chamberlain
Mrs. Jean Leslie Scott Brown

- (2) The Shareholders Committee shall conform to any regulations imposed upon it by the Company and shall have such powers as are expressly conferred upon it by these Articles.
- (3) All members of the Shareholders Committee shall by notice in writing to the Company appoint a holder of Ordinary Shares or a person being either beneficially entitled to Ordinary Shares and a lineal descendant of William Grant (the founder of the firm of TP Limited (previously named William Grant & Sons Limited) incorporated in Scotland with the Registered Number 5366, who died on 5th January 1923 ("William Grant")) or a trustee for a minor who is beneficially entitled to Ordinary Shares and a lineal descendant of William Grant as an alternate to attend any meeting of the Shareholders Committee and, upon any resolution pursuant to any of these Articles, to vote for him in his absence; but to be valid any such appointment must be approved by resolution of the Shareholders Committee (such approval not to be unreasonably withheld or delayed).
- (4) In the event of the death, retirement or resignation of a member of the Shareholders Committee either the alternate nominated by him in writing for the purpose of this paragraph (4) or failing such the alternate last nominated

by him prior to his death, retirement or resignation such nomination in either case having been approved by a resolution of the Shareholders Committee (such approval not to be unreasonably withheld or delayed), shall on his death, retirement or resignation become a member of the Shareholders Committee.

- (5) If there is no surviving nominated alternate, the Shareholders Committee shall appoint as a member of the Shareholders Committee a holder of Ordinary Shares or a person being either beneficially entitled to Ordinary Shares and a lineal descendant of William Grant or a trustee for a minor who is beneficially entitled to Ordinary Shares and a lineal descendant of William Grant.
- (6) A member of the Shareholders Committee may at any time be removed by a special resolution of the Company and a member shall be immediately disqualified and cease to be a member of the Shareholders Committee (and an alternate shall be disqualified from acting as such) if in either case he ceases to be a holder of Ordinary Shares or a person beneficially entitled to Ordinary Shares or if, being originally a trustee for a minor beneficially entitled to Ordinary Shares and a lineal descendant of William Grant, he ceases to be such a trustee.
- (7) Any resolution passed or decision made by the Shareholders Committee shall be duly passed or made at a meeting of the Shareholders Committee if the votes of a majority of those members of the Shareholders Committee or alternates present at the meeting are cast in favour of the relevant resolution.
- (8) A resolution in writing signed by all of the members of the Shareholders Committee shall be valid and effective as a resolution of the Shareholders Committee.
- (9) Wherever any matter referred to in these Articles is expressed to be subject to approval given by a resolution of the Shareholders Committee the members of the Shareholders Committee and/or their alternates shall have absolute and unfettered discretion whether to give or withhold such approval and shall not be obliged to give any reason for giving or withholding approval and if they do give any reason the giving or withholding of approval shall not be affected thereby.

- (10) Save as otherwise provided in this Article, the members of the Shareholders Committee shall regulate their proceedings as they think fit.

ISSUE OF SHARES

25. Unless decided otherwise by the Company in general meeting any of the Ordinary Shares for the time being unissued and available to be issued may at any time be issued by the Directors but (on the Directors deciding to make an issue) shall be offered at par in the first instance to all the existing holders of Ordinary Shares in the proportion as nearly as may be to the number of Ordinary Shares already held by them respectively and the offer shall be made in each case by written notice specifying the number of shares to which the existing holders are entitled, inviting them to state in writing whether they are willing to take any of the shares and limiting the time in which the offer, if not accepted, will be deemed to be declined. At the expiration of such time the Directors shall allot the shares comprised in the notice to or amongst the existing holders who have notified their willingness to take any of the shares pursuant to this Article in accordance with the terms of the offer. If and to the extent that the shares comprised in the notice are not taken up by existing holders of Ordinary Shares within the time specified for acceptance the Directors shall within 7 days after the expiration of such time again offer the shares comprised in the notice or so many thereof as have not been taken up as aforesaid to those existing holders who have notified their willingness to take shares in accordance with the foregoing provisions of this Article. The further offer shall be made on the same terms and in the same manner as the first offer. Any of the shares on offer which are not taken up pursuant to the foregoing provisions of this Article may be offered by the Directors to any person or person where approval to the making of such offer has been given by a resolution of the Shareholders Committee.

TRANSFER OF SHARES

26. The provisions of Articles 27, 29, 30, 35, 36 and 37 hereof shall not apply to the transfer or transmission of the Preference Shares.
27. (1) For the purpose of these Articles, "transfer" shall include the creation or transfer of any interest in the Ordinary Shares registered in the name of any member.
- (2) A person shall be deemed to have an "interest" in the Ordinary Shares if such person has, or is deemed to have, an interest (of any size) in such shares

which, if the Company were a public company, would be taken into account in deciding whether a person has an interest in shares under sections 820 to 825 of the Act (excluding the interest of a bare or custodian trustee under the laws of England and of a simple trustee under the laws of Scotland). If a person is not deemed as a result of the foregoing to have an interest in Ordinary Shares, such person shall nevertheless be deemed to have such an interest if:-

- (a) such shares are the subject of in the bona fide opinion of the Shareholders Committee or are likely to be the subject of an agreement or arrangement (whether legally enforceable or not) whereby such shares are to be voted in accordance with that person's instructions (whether given by him directly or indirectly); or
- (b) that person or any associate of that person is or is entitled to become the registered holder of any such share;

and the term "interested" shall be construed accordingly.

- (3) "Associate" shall mean in relation to any person (below referred to as the "first named person"):-

- (a) if the first named person is a trustee of any trust, any or all of the other trustees, any or all of the settlors of such trust and any or all of the beneficiaries (including contingent beneficiaries) under such trust; or
- (b) if the first named person is a company, any director of such company, and if the first named person is a director of a company, such company; or
- (c) the husband, wife, brother, sister, ancestor or lineal descendant, or the husband or wife of such brother, sister, ancestor or lineal descendant, of the first named person or of the first named person's husband or wife;

and any associate of the first named person shall (unless otherwise approved by a resolution of Shareholders Committee) be deemed also to be an associate of all other associates of the first named person.

28. The Directors may, in their absolute discretion, refuse to register any transfer of any Preference Share (not being a fully paid Preference Share), or in the case of any other share (whether or not it is a fully paid share) a transfer other than a transfer made pursuant to the provisions of Articles 29 and 30 hereof. If the Directors refuse to register a transfer of shares they shall, as soon as practicable, and in any event within two months after the date on which the instrument of transfer was lodged, send to the transferee notice of the refusal together with the reasons for the refusal.
29. (1) Subject to Article 28 hereof, a member (which expression shall for the purposes of this article mean the registered holder or other person entitled to transfer or procure the transfer of the shares registered in the name of the registered holder) may at any time transfer all or any shares:-
- (a) to a privileged relation of such member or to a company the entire issued share capital of which is controlled either directly or indirectly by a privileged relation or privileged relations of such member; or
 - (b) to trustees to be held on family trusts; or
 - (c) to the wife or husband or widow or widower of such member or to any lineal descendant of William Grant not being a privileged relation, provided that such transfer is approved by a resolution of the Shareholders Committee.
- (2) For the purpose of paragraph (1) above "member" shall not include a trustee (which expression shall for the purpose of this sub-paragraph include any person or persons in whom exclusively fiduciary powers may for the time being be vested) holding shares or being interested in shares either directly or indirectly held upon a family trust but where shares are so held:-
- (a) such shares may on any change of trustees be transferred to the trustees for the time being;
 - (b) such shares may at any time be transferred to any person to whom under paragraph (1) above the same could have been transferred by the settlor if he had been the holder thereof;
 - (c) if and whenever any such shares cease to be held upon family trusts (otherwise than in consequence of a transfer authorised under sub-

paragraph (b) of this paragraph) the trustees shall be bound forthwith to give a sale notice (as defined in Article 30 hereof) in respect of the shares in question.

(3) For the purposes of this Article:-

(a) "privileged relation" shall mean the lineal descendants of the member and the brothers and sisters of the member and their lineal descendants, provided that such relation is also a lineal descendant of William Grant, and "lineal descendant" shall include any person legitimated or adopted by any child or grandchild or remoter issue of William Grant and shall not include any illegitimate child or grandchild or remoter issue of William Grant unless the said child has been legitimated or adopted;

(b) "family trusts" shall, in relation to any member, mean trusts (whether arising under a settlement inter vivos or a testamentary disposition made by a member of the Company being a lineal descendent of William Grant or on an intestacy of such member) under which no immediate beneficial interest in the shares in question is for the time being vested in any person other than the member concerned or a privileged relation of such member or in a company the entire issued share capital of which is controlled either directly or indirectly by the member or a privileged relation or privileged relations of such member or by trustees holding property for the benefit of the same and no power of control over the voting powers conferred by such shares is for the time being exercisable by or subject to the consent of any person other than the trustees as trustees (or any other person or persons in whom exclusively fiduciary powers may for the time being be vested) or the member concerned or a privileged relation of such member.

30. (1) Except in the case of a transfer of shares expressly authorised by Article 29 hereof, the right to transfer shares in the Company shall be subject to the following restrictions.

(2) Any person ("the retiring member") proposing to transfer, or effect any disposition of any part of his beneficial interest in, or being aware of any proposed or actual alteration in the beneficial interest in, shares registered in

his name shall give (and failing which, shall be deemed to have given) a notice in writing ("a sale notice") to the Company that he proposes to sell the shares. The sale notice shall specify the number of shares which the retiring member desires to sell and shall constitute the Directors his agents for the sale of the shares therein mentioned at the prescribed price in accordance with these Articles. A sale notice once given or deemed to be given shall be revocable within 14 days of notification being received by the retiring member of the prescribed price, but thereafter shall not be revocable except with approval given by a resolution of the Shareholders Committee. Shares of different classes shall not be included in the same sale notice. A sale notice may state whether or not the retiring member is willing to sell at the prescribed price any less number of shares than the total number included in the sale notice and, if so, what number.

- (3) If within 28 days of the prescribed price being determined the Company has not resolved in general meeting to purchase in accordance with the Act the shares comprised in any sale notice at the prescribed price, or if, where the Company in general meeting has so resolved, the purchase by the Company of the shares has not been completed within 60 days of the prescribed price being determined (or such longer period, not being in excess of 75 days of the prescribed price being determined, as may be approved by a resolution of the Shareholders Committee), then all the shares comprised in the sale notice shall, within 7 days of the expiry of such period of 28 days, 60 days or longer (as the case may be), be offered by the Directors in writing to each existing holder of Ordinary Shares (other than the retiring member) for purchase at the prescribed price inviting him to state in writing within 14 days from the date of the said offer whether he is willing to purchase any and if so what number of shares. At the expiration of the said period the Directors shall allocate the shares comprised in the sale notice to the member or members who have notified their willingness to purchase as aforesaid and in the event of competition in proportion (as nearly as may be and without increasing the number sold to any member beyond the number applied for by him) to their existing holdings of Ordinary Shares at the date of the sale notice.
- (4) If and to the extent that the shares comprised in the sale notice are not accepted by a member or members holding Ordinary Shares within the time specified for acceptance the Directors shall within 7 days after the expiration of such time offer the shares comprised in the sale notice or so many thereof

as have not been accepted as aforesaid to those members holding Ordinary Shares who have notified their willingness to purchase pursuant to paragraph (3) above. In the event of further competition, the said shares shall be allocated according to the provisions of paragraph (3) above.

- (5) If the Directors within 112 days of the date of the sale notice (or such longer period, not being in excess of 150 days of its date, as may be approved by a resolution of the Shareholders Committee) find a member or members ("a purchasing member" or "purchasing members") willing to purchase all the shares concerned (or where the retiring member stated in the sale notice that he is willing to sell any lesser number, any number of them not being fewer than the number stated as the minimum number in the sale notice) and give notice in writing thereof to the retiring member, the retiring member shall be bound, upon payment of the prescribed price (or such proportion thereof as is, pursuant to any agreement between the retiring member and the purchasing member payable by the purchasing member on completion of the purchase) to transfer such shares to the respective purchasing members. Every such notice shall state the name and address of each purchasing member and the number of shares agreed to be purchased by him, and the purchase shall be completed at a place and time to be appointed by the Directors, being not less than 7 days nor more than 28 days after the date of such notice.
- (6) If in any case a retiring member, after having become bound to transfer any shares to a purchasing member, makes default in so doing the Directors may authorise some person to execute any necessary transfers in favour of the purchasing member or purchasing members. The Company may receive the purchase money and shall cause the name of the purchasing member to be entered in the register of members of the Company and issue to him a certificate for the shares, and the purchasing member shall then be indefeasibly entitled to those shares. The retiring member shall in such case be bound to deliver up his certificate for the said shares, and on such delivery shall be entitled to receive the purchase money without any interest, and if his certificate comprises any shares which he has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for those shares. The receipt of the Company for the purchase money shall be a good discharge to the purchasing member, who shall not be entitled to see the application thereof.

- (7) "the prescribed price" shall mean such sum per share as is certified in writing within 10 days of the date of the sale notice and at the request of the Directors by the auditors of the Company to be in their opinion the fair selling value thereof on the open market as between a willing vendor and a willing purchaser, and for this purpose the auditors shall be given by the Directors, and shall take account of, all information which a prudent prospective purchaser of the whole of the share capital of the Company might reasonably require if he were proposing to purchase it from a willing vendor by private treaty and at arms' length, including the dividend yield of such shares and the restrictions on the transfer of such shares contained in these Articles, and in so certifying the auditors shall be considered to be acting as experts and not as arbitrators and their determination shall be final and binding on all concerned.
- (8) If within 112 days of the date of the sale notice (or such longer period, not being in excess of 150 days of its date, as may be approved by a resolution of the Shareholders Committee) any proposed purchase by the Company of the shares comprised in the sale notice is not completed and the Directors do not find purchasing members willing to purchase all the shares comprised in a sale notice (or, where the retiring member has stated in the sale notice that he is willing to sell any less number, any number of them being a number equal to or more than the number so stated in such sale notice) the Directors shall so inform the retiring member by notice in writing as soon as it appears that such purchasing members will not be found and in any event at the expiration of such period. The retiring member shall then be at liberty (subject to the power of the Directors contained in Article 28 hereof to refuse to register any transfer) to transfer all the shares comprised in the sale notice to any person approved by a resolution of the Shareholders Committee at any price not being less than the prescribed price. If a sale notice states such less number of shares and if the Directors find purchasing members for such less number of shares and so inform the retiring member as aforesaid he shall be at liberty to transfer all the shares included in the sale notice for which the Directors have not found purchasing members on the terms set out in this paragraph.
- (9) Where the Directors have found a purchasing member or purchasing members and through no default of the retiring member any purchase is not duly completed within 28 days of the notice given to the retiring member

pursuant to paragraph (5) above the Directors shall immediately notify the purchasing member or purchasing members and if within seven days of notice being given the purchasing member or purchasing members between them have not duly completed the purchase of the shares in respect of which there has been default in completion, the retiring member shall be entitled to sell such shares to any third person on the terms set out in paragraph (8) above.

31. Any direction (by way of renunciation, nomination or otherwise) by a member entitled to an allotment of shares, to the effect that such shares or any of them be allotted or issued to some person other than himself, shall for the purpose of these Articles be deemed to be a transfer, and the provisions of these Articles relating to the transfer of Ordinary Shares shall apply accordingly.
32. No Infant, bankrupt or person of unsound mind shall in any circumstances be registered as a member of the Company.
33. Except in the case of a transfer of a share which is not fully paid, where (unless the Directors agree to waive such requirements) the signature of the transferee will also be required and the signatures of the transferor and transferee must each be attested by one witness, the instrument of transfer of a share shall be signed by or on behalf of the transferor only and need not be attested. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
34. No fee shall be payable to the Company in respect of the registration of any instrument of transfer, confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares.

TRANSMISSION OF SHARES

35. The executors or administrators of a deceased member (not being one of several joint owners) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and in the case of death of any one or more joint holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares but nothing herein contained shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.

36. Any person becoming entitled to any shares by transmission may by notice in writing to the Company apply to be registered as the holder of such shares or may sign a transfer of the same. All the provisions of these Articles relating to transfers of shares shall apply to such notice or to such transfer (and in the case of notice as if the notice were itself a transfer).
37. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at, meetings of the Company, or, save as aforesaid, to exercise any of the rights or privileges of a member, unless and until he becomes a member in respect of the share.

DISCLOSURE OF INTERESTS

38. For the purpose of these Articles, every holding of Ordinary Shares not registered in the name or names of an individual or individuals shall at the date of the adoption of this Article be deemed to be held (directly or indirectly) for the benefit of or under the control of lineal descendants of William Grant.
39. (1) For the purpose of ensuring that a transfer of shares is duly authorised hereunder or that no circumstances have arisen whereby a sale notice is deemed to have been given, or for the purpose of ascertaining when a sale notice is deemed to have been given, the Shareholders Committee may at any time serve upon any member or the legal personal representatives of the deceased member or the trustee in bankruptcy of any member or the liquidator of any corporate member or any person named as transferee in any transfer lodged for registration notice to furnish the Shareholders Committee such information supported by such evidence as the Shareholders Committee might reasonably require regarding any matter which they may deem relevant to such purpose.
- (2) If such information or evidence is not furnished within fourteen days of the said notice, or if in the reasonable opinion of the Shareholders Committee the information or evidence furnished is unsatisfactory, the Shareholders Committee shall be entitled to serve a further notice upon the member or other person as aforesaid requesting him to give further information or evidence as required within a further period of fourteen days.

- (3) Failing such information or evidence being furnished to the reasonable satisfaction of the Shareholders Committee within the specified time then upon the Shareholders Committee so determining and his being notified of that determination (a "disenfranchisement determination") the member or other person as aforesaid shall cease to be entitled to vote at any general meeting of the Company or at any class meeting, or to exercise any other rights conferred by membership in relation to any such meeting.
- (4) If it appears to the Shareholders Committee from the information and evidence received that the provisions relating to the transfer of shares contained in these Articles have been breached in any way, then the Shareholders Committee may serve upon the member or other person as aforesaid a disenfranchisement determination and in addition a notice (a "disposal notice") requiring that the shares concerned be offered for sale by means of a sale notice pursuant to Article 30 hereof within fourteen days of the disposal notice.
- (5) If the member or other person as aforesaid fails to serve a sale notice within fourteen days of the disposal notice, then the Shareholders Committee may authorise in writing a Director to submit a notice in respect of the shares concerned (which for the purpose of these Articles would take effect as a sale notice) and to execute any necessary transfer on behalf of the member or other person.

SUPPLEMENTARY PROVISIONS RELATING TO THE ISSUE, TRANSFER AND TRANSMISSION OF SHARES

- 40. Upon there being served on the Company at its registered office a notice in writing signed by members together holding not less than 60% in nominal value of the issued Ordinary Shares ("a Modification Notice") all of the provisions of Articles 24 to 39 (inclusive) hereof shall cease to have effect and the provisions of Articles 41 to 52 (inclusive) hereof shall be substituted; but until a Modification Notice is served Articles 41 to 52 (inclusive) hereof shall have no force or effect.

ISSUE OF SHARES

- 41. Unless decided otherwise by the Company in general meeting, any of the Ordinary Shares for the time being unissued and available to be issued may at any time be issued by the Directors but (on the Directors deciding to make an issue) shall be

offered at par in the first instance to all the existing holders of Ordinary Shares in the proportion as nearly as may be to the number of Ordinary Shares already held by them respectively and the offer shall be made in each case by written notice specifying the number of shares to which the existing holders are entitled, inviting them to state in writing whether they are willing to take any of the shares and limiting the time in which the offer, if not accepted, will be deemed to be declined. At the expiration of such time the Directors shall allot the shares comprised in the notice to or amongst the existing holders who have notified their willingness to take any of the shares as aforesaid in accordance with the terms of the offer. If and to the extent that the shares comprised in the notice are not taken up by existing holders of Ordinary Shares within the time specified for acceptance the Directors shall within 7 days after the expiration of such time again offer the shares comprised in the notice or so many thereof as have not been taken up as aforesaid to those existing holders who have notified their willingness to take shares in accordance with the foregoing provisions of this Article. The further offer shall be made on the same terms and in the same manner as the first offer. Any of the shares on offer which are not taken up pursuant to the foregoing provisions of this Article may offered by the Directors to any person or persons.

42. The provisions of Articles 43, 45, 50, 51 and 52 hereof shall not apply to the transfer or transmission of the Preference Shares.
43. (1) For the purpose of these Articles, "transfer" shall include the creation or transfer of any interest in the Ordinary Shares registered in the name of any member.
- (2) A person shall be deemed to have an "interest" in the Ordinary Shares if such person has, or is deemed to have, an interest (of any size) in such shares which, if the Company were a public company, would be taken into account in deciding whether a person has an interest in shares under sections 820 to 825 of the Act (excluding the interest of a bare or custodian trustee under the laws of England and of a simple trustee under the laws of Scotland). If a person is not deemed as a result of the foregoing to have an interest in Ordinary Shares, such person shall nevertheless be deemed to have such an interest if:-
 - (a) such shares are the subject of in the bona fide opinion of the Directors or are likely to be the subject of an agreement or arrangement (whether legally enforceable or not) whereby such

shares are to be voted in accordance with that person's instructions (whether given by him directly or indirectly); or

- (b) that person or any associate of that person is or is entitled to become the registered holder of any such share;

and the term "interested" shall be construed accordingly.

- (3) "Associate" shall mean in relation to any person (below referred to as the "first named person"):-

- (a) if the first named person is a trustee of any trust, any or all of the other trustees, any or all of the settlors of such trust and any or all of the beneficiaries (including contingent beneficiaries) under such trust, or
- (b) if the first named person is a company, any director of such company, and if the first named person is a director of a company, such company; or
- (c) the husband, wife, brother, sister, ancestor or lineal descendant, or the husband or wife of such brother, sister, ancestor or lineal descendant, of the first named person or of the first named person's husband or wife;

and any associate of the first named person shall (unless the Directors otherwise determine) be deemed also to be an associate of all other associates of the first named person.

- 44. The Directors may, in their absolute discretion, refuse to register any transfer of any Preference Share (not being a fully paid Preference Share), or in the case of any other share (whether or not it is a fully paid share) a transfer other than a transfer made pursuant to the provisions of Article 45 hereof. If the Directors refuse to register a transfer of shares they shall, as soon as practicable, and in any event within two months after the date on which the instrument of transfer was lodged, send to the transferee notice of the refusal together with the reasons for the refusal.
- 45. (1) The right to transfer shares in the Company shall be subject to the following restrictions.

- (2) Any person ("the retiring member") proposing to transfer, or effect any disposition of any part of his beneficial interest in, or being aware of any proposed or actual alteration in the beneficial interest in, shares registered in his name shall give (and failing which, shall be deemed to have given) a notice in writing ("a sale notice") to the Company that he proposes to sell the shares. The sale notice shall specify the number of shares which the retiring member desires to sell, the name and address of the proposed transferee and the price per share which the proposed transferee is prepared to pay ("the prescribed price"), and shall constitute the Directors his agents for the sale of the shares therein mentioned at the prescribed price in accordance with these Articles. The Directors may make all such reasonable enquiries of the proposed transferee as may be necessary to determine that the details given in the sale notice are true and accurate. A sale notice once given or deemed to be given shall not be revocable except with the consent of the Directors. Shares of different classes shall not be included in the same sale notice. A sale notice may state whether or not the retiring member is willing to sell at the prescribed price any less number of shares than the total number included in the sale notice and if so, what number.
- (3) If within 28 days of the sale notice the Company has not resolved in general meeting to purchase in accordance with the Act the shares comprised in any sale notice at the prescribed price, or if, where the Company in general meeting has so resolved, the purchase by the Company of the shares has not been completed within 60 days of the prescribed price being determined (or such longer period, not being in excess of 75 days of the prescribed price being determined, as may be prescribed by the Directors) then all the shares comprised in the sale notice shall, within 7 days of the expiry of such period of 28 days, 60 days or longer (as the case may be) be offered by the Directors in writing to each existing holder of Ordinary Shares (other than the retiring member) for purchase at the prescribed price inviting him to state in writing within 14 days from the date of the said offer whether he is willing to purchase any and if so what number of shares. At the expiration of the said period the Directors shall allocate the shares comprised in the sale notice to the member or members who have notified their willingness to purchase as aforesaid and in the event of competition in proportion (as nearly as may be and without increasing the number sold to any member beyond the number applied for by him) to their existing holdings of Ordinary Shares at the date of the sale notice.

- (4) If and to the extent that the shares comprised in the sale notice are not accepted by a member or members holding Ordinary Shares within the time specified for acceptance the Directors shall within 7 days after the expiration of such time offer the shares comprised in the sale notice or so many thereof as have not been accepted as aforesaid to those members holding Ordinary Shares who have notified their willingness to purchase pursuant to paragraph (3) above. In the event of further competition, the said shares shall be allocated according to the provisions of paragraph (3) above.
- (5) If the Directors within 112 days of the sale notice (or such longer period, not being in excess of 150 days of its date, as may be determined by the Directors) find a member or members ("a purchasing member" or "purchasing members") willing to purchase all the shares concerned (or where the retiring member stated in the sale notice that he is willing to sell any lesser number, any number of them not being fewer than the number stated as the minimum number in the sale notice) and give notice in writing thereof to the retiring member, the retiring member shall be bound, upon payment of the prescribed price (or such proportion thereof as is, pursuant to any agreement between the retiring member and the purchasing member, payable by the purchasing member on completion of the purchase) to transfer such shares to the respective purchasing members. Every such notice shall state the name and address of each purchasing member and the number of shares agreed to be purchased by him, and the purchase shall be completed at a place and time to be appointed by the Directors, being not less than 7 days nor more than 28 days after the date of such notice.
- (6) If in any case a retiring member, after having become bound to transfer any shares to a purchasing member, makes default in so doing the Directors may authorise some person to execute any necessary transfers in favour of the purchasing member or purchasing members. The Company may receive the purchase money and shall cause the name of the purchasing member to be entered in the register of members of the Company and issue to him a certificate for the shares, and the purchasing member shall then be indefeasibly entitled to those shares. The retiring member shall in such case be bound to deliver up his certificate for the said shares, and on such delivery shall be entitled to receive the purchase money without any interest, and if his certificate comprises any shares which he has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for

those shares. The receipt of the Company for the purchase money shall be a good discharge to the purchasing member, who shall not be entitled to see the application thereof.

- (7) If within 112 days of the date of the sale notice (or such longer period, not being in excess of 150 days of its date, as may be determined by the Directors) any proposed purchase by the Company of the shares comprised in a sale notice is not completed and the Directors do not find purchasing members willing to purchase all the shares comprised in a sale notice (or, where the retiring member has stated in the sale notice that he is willing to sell any less number, any number of them being a number equal to or more than the number so stated in such sale notice) the Directors shall so inform the retiring member by notice in writing as soon as it appears that such purchasing members will not be found and in any event at the expiration of such period. The retiring member shall then be at liberty (subject to the power of the Directors contained in Article 44 hereof to refuse to register any transfer) to transfer all the shares comprised in the sale notice to any person at any price not being less than the prescribed price. If a sale notice states such less number of shares and if the Directors find purchasing members for such less number of shares and so inform the retiring member as aforesaid he shall be at liberty to transfer all the shares included in the sale notice for which the Directors have not found purchasing members on the terms set out in this paragraph.

- (8) Where the Directors have found a purchasing member or purchasing members and through no default of the retiring member any purchase is not duly completed within 28 days of the notice given to the retiring member pursuant to paragraph (5) above the Directors shall immediately notify the purchasing member or purchasing members and if within seven days of notice being given the purchasing member or purchasing members between them have not duly completed the purchase of the shares in respect of which there has been default in completion, the retiring member shall be entitled to sell such shares to any third person on the terms mentioned in paragraph (7) above.

46. Any direction (by way of renunciation, nomination or otherwise) by a member entitled to an allotment of shares, to the effect that such shares or any of them be allotted or issued to some person other than himself, shall for the purpose of these

Articles be deemed to be a transfer, and the provisions of these Articles relating to the transfer of Ordinary Shares shall apply accordingly.

47. No Infant, bankrupt or person of unsound mind shall in any circumstances be registered as a member of the Company.
48. Except in the case of a transfer of a share which is not fully paid, where (unless the Directors agree to waive such requirements) signature of the transferee will also be required and the signatures of the transferor and transferee must each be attested by one witness, the instrument of transfer of a share shall be signed by or on behalf of the transferor only and need not be attested. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect thereof.
49. No fee shall be payable to the Company in respect of the registration of any instrument of transfer, confirmation, probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares.

TRANSMISSION OF SHARES

50. The executors or administrators of a deceased member (not being one of several joint owners) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and in the case of death of anyone or more joint holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall release the estate of a deceased holder from any liability in respect of any share held by him solely or jointly with other persons.
51. Any person becoming entitled to any shares by transmission may by notice in writing to the Company apply to be registered as the holder of such shares or may sign a transfer of the same. All the provisions of these Articles relating to transfers of shares shall apply to such notice or to such transfer (and in the case of notice as if the notice were itself a transfer).
52. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at, meetings of the Company, or, save as aforesaid, to exercise any of the rights or

privileges of a member, unless and until he becomes a member in respect of the share.

COMPULSORY OFFER FOR MINORITY

53. (1) If at any time the Directors become aware that a person or persons, together with persons acting in concert with him or them (within the meaning of that expression as defined in the City Code on Take-overs and Mergers as at the date of the adoption of this Article) (all such persons being together called "the controllers") have acquired control of the Company (being the power, directly or indirectly, to determine the exercise of the voting rights attaching to shares ("the controlling shares") carrying over 50% of the voting rights attributable to the Ordinary Shares) the Directors shall serve a notice on the holders of the controlling shares (and on the controllers to the extent that their names and addresses are known to the Directors) requiring the controllers to make an unconditional offer (capable of being translated into an enforceable contract of sale and purchase by simple acceptance) to the holders of all the Ordinary Shares not being the controlling shares to acquire the Ordinary Shares held by them at a price being the highest price per Ordinary Share paid by the controllers for any of the controlling shares within twelve months prior to the date on which the controllers first acquired control of the Company and shall send to the holders of the Ordinary Shares not being the controlling shares copies of such notice.
- (2) If the offer required to be made by such notice is not made or, having been made, is not completed by reason of default on any purchaser within thirty five days of the notice, the Directors shall serve upon the holders of the controlling shares a disenfranchisement determination having the effect stated in Article 39(3) hereof.

FORFEITURE OF SHARES

54. If any member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment thereof, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof remains unpaid, serve a notice on him or on the person entitled to the share by transmission requiring him to pay such call or instalment, or such part thereof as remains unpaid, together with interest at such rate not exceeding 10 per cent. per annum as the

Directors shall determine, and any expenses that may have accrued by reason of such non-payment.

55. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of the notice) on or before which such call or instalment, or such part as aforesaid, and all interest and expenses that have accrued by reason of such non-payment, are to be paid. It shall also name the place where payment is to be made, and shall state that, in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made will be liable to be forfeited.
56. If the requisitions of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. In the case of any member whose registered address is not in the United Kingdom, sufficient time shall be allowed for communication with him by post before such forfeiture is declared. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture, notwithstanding that they shall have been declared. The Directors may accept a surrender of any share liable to be forfeited hereunder and any shares so surrendered shall be dealt with in the same manner as if by these Articles provided with regard to forfeited shares and reference herein to forfeiture shall, *mutatis mutandis*, be construed accordingly.
57. When any share has been forfeited in accordance with these Articles, notice of the forfeiture shall forthwith be given to the holder of the share or the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the register of members opposite to the share; but notwithstanding the foregoing provisions of this Article no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
58. Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.
59. Every share which shall be forfeited may be sold, re-allotted or otherwise disposed of, either to the person who was before forfeiture the holder thereof, or entitled

thereto, or to any other person, upon such terms and in such manner as the Director shall think fit, and the Directors may, if necessary, authorise some person to transfer the same to such other person as aforesaid.

60. A shareholder whose shares have been forfeited shall, notwithstanding, be liable to pay to the Company all calls made and not paid on such shares at the time of forfeiture, and interest thereon to the date of payment, in the same manner in all respects as if the shares had not been forfeited, and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture, without any deduction or allowance for the value of the shares at the time of forfeiture.
61. The forfeiture of a share shall involve the extinction at the time of forfeiture of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the shareholder whose share is forfeited and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.
62. A statutory declaration in writing that the declarant is a Director of the Company, and that a share has been duly forfeited in pursuance of these Articles, and stating the date upon which it was forfeited, shall, as against all persons claiming to be entitled to the share adversely to the forfeiture thereof, be conclusive evidence of the facts therein stated, and such declaration, together with the receipt of the Company for the consideration (if any) given for the share on the sale or disposition thereof, and a certificate of proprietorship of the share under the Seal delivered to the person to whom the same is sold or disposed of, shall constitute a good title to the share, and (subject to the execution of any necessary transfer) such person shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition, and shall not be bound to see to the application of the purchase money (if any), nor shall his title to the share be affected by any act, omission or irregularity relating to or connected with the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

ALTERATIONS OF CAPITAL

63. The Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account or any other undistributable reserve in any manner permitted by, and in accordance with, the Statutes.

INCREASE OF CAPITAL

63. The Company in general meeting may from time to time, whether all the shares for the time being authorised shall have been issued or all the shares for the time being issued shall have been fully called up or not, by special resolution increase its share capital by the creation of new shares, such new capital to be of such an amount and to be divided into shares of such respective amounts and (subject to any special rights for the time being attached to any existing class of shares) to carry such preferential, deferred or other special rights (if any), or to be subject to such conditions or restrictions (if any), in regard to dividend, return of capital, voting or otherwise, as the general meeting resolving upon such increase directs.
64. Unless otherwise determined by the Company in general meeting any shares for the time being unissued and any new shares from time to time created shall, before they are issued, be offered to the holders of the Ordinary Shares in proportion, as nearly as may be, to the number of Ordinary Shares held by them. Such offer shall be made by notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of such time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may, subject to these Articles, dispose of the same in such manner as they think most beneficial to the Company. The Directors may, in like manner, dispose of any such shares, which, by reason of the proportion borne by them to the number of persons entitled to such offer as aforesaid or by reason of any other difficulty in apportioning the same, cannot in the opinion of the Directors be conveniently offered in manner hereinbefore provided.
65. Except so far as otherwise provided by or pursuant to these Articles or by the conditions of issue, any new share capital shall be considered as part of the original ordinary share capital of the Company, and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

MODIFICATION OF CLASS RIGHTS

64. Subject to the provisions of the Statutes, all or any of the rights, privileges or conditions for the time being attached or belonging to any class of shares for the time being forming part of the capital of the Company may from time to time be modified, varied, extended or surrendered in any manner with the consent in writing of the

holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the members of that class. To any such separate meeting all the provisions of these Articles as to general meetings of the Company (including the obligation to notify members as to their right to appoint proxies) shall *mutatis mutandis* apply: provided always that the necessary quorum shall be members of the class holding or representing by proxy one-third of the capital paid or credited as paid on the issued shares of the class, and every holder of shares of the class in question shall be entitled on a poll to one vote for every such share held by him: Provided also that if at any adjourned meeting of the members of such class a quorum as above defined is not present those members who are present shall form a quorum. The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with them.

GENERAL MEETINGS

65. A general meeting shall be held as the annual general meeting in every calendar year in accordance with the requirements of the Statutes, at such time and place as may be determined by the Directors, and not more than fifteen months shall be allowed to elapse between any two successive annual general meetings.
66. All general meetings other than the annual general meeting shall be called general meetings.
67. The Directors may call a general meeting whenever they think fit.
68. Twenty-one days' notice in writing at the least of every annual general meeting, and of every meeting convened to pass a special resolution, and fourteen days' notice in writing at the least of every other general meeting (the length of notice being exclusive in every case both of the day on which the notice is served or deemed to be served and of the day for which the notice is given) specifying the place, the day and the hour of meeting, and in the case of special business the general nature of such business, shall be given in manner hereinafter mentioned to such persons (including the auditors) as are under the provisions of these Articles or the Act entitled to receive notices of general meetings from the Company, but in the case of an annual general meeting with the consent of all the members entitled to attend and vote thereat, and in the case of any other general meeting with the consent of such proportion of the members entitled to attend and vote thereat as is prescribed by

section 307 of the Act, such meeting may be convened upon a shorter notice, and in such manner as such members may approve. The accidental omission to give such notice to, or the non-receipt of such notice by, any person entitled to receive the same shall not invalidate any resolution passed or proceeding at any such meeting. Every notice convening an annual general meeting of the Company shall describe the meeting as an annual general meeting and every notice of a general meeting or of a class meeting shall comply with any requirements of the Statutes as regards the notification to members of their rights as to the appointment of proxies.

PROCEEDINGS AT GENERAL MEETINGS

69. All business shall be deemed special that is transacted at a general meeting (other than an annual general meeting), and all that is transacted at an annual general meeting shall also be deemed special, with the exception of declaring a dividend, the receiving and/or adopting of the accounts and balance sheets and the reports of the Directors and Auditors, and any other documents accompanying or annexed to the balance sheets, the election of Directors in place of those retiring and the fixing of the remuneration of the Directors and the appointment and fixing of the remuneration of the Auditors.
70. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Three members present in person or by proxy or by duly authorised corporate representative and entitled to vote shall be a quorum for all purposes.
71. If within half an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum.
72. The Chairman (if any) of the board of Directors shall preside at every general meeting, but if there be no such Chairman, or if at any meeting he shall not be present within ten minutes after the time appointed for holding the same, or shall be present but unwilling to act as Chairman, the members present and entitled to vote shall choose some Director, or if no Director be present, or if all the Directors present decline to take the chair, they shall choose one of their number to be Chairman of the meeting.

73. The Chairman of any meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for thirty days or more, seven clear days' notice at the least, specifying the place, the day and the hour of the adjourned meeting shall be given as in the case of the original meeting, but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
74. At all general meetings a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded by the Chairman or by any person for the time being entitled to vote at the meeting (including any proxy or corporate representative), and unless a poll be so demanded a declaration by the Chairman of the meeting that a resolution has on a show of hands been carried, or carried unanimously or by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.
75. Subject as provided in Article 76, if a poll be demanded in manner aforesaid, it shall be taken at such time (within fourteen days) and place, and in such manner, as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
76. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.
77. In the case of an equality of votes, either on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a further or casting vote.
78. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF MEMBERS**79. (A) Votes on a show of hands**

Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held and to any other provisions of these Articles (including, without limitation, Article 6(C)) or the Statutes, on a vote on a resolution on a show of hands at a general meeting:

- (i) every member who is present in person shall have one vote;
- (ii) every duly authorised corporate representative who is present shall have one vote;
- (iii) subject to Articles 79(A)(iv) and (v), every proxy present who has been duly appointed by one or more members entitled to vote on the resolution shall have one vote;
- (iv) if a proxy has been duly appointed by more than one member entitled to vote on the resolution and the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against it then the proxy shall have one vote for and one vote against the resolution; and
- (v) if a proxy has been duly appointed by more than one member entitled to vote on the resolution and has been granted both discretionary authority to vote on behalf of one or more of those members and firm voting instructions on behalf of one or more other members, the proxy shall not be restricted by the firm voting instructions in casting a second vote in any manner he so chooses under the discretionary authority conferred upon him.

(B) Votes on a poll

Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held and to any other provisions of these Articles (including, without limitation, Article 6(C)) or the Statutes, on a vote on a resolution on a poll at a general meeting:

- (i) every member who is present in person shall have one vote for every 50 Preference Shares and one vote for each Ordinary Share of which he is the holder;
 - (ii) every duly authorised corporate representative who is present may exercise all the powers on behalf of the company which authorised him to act as its representative and shall have one vote for every 50 Preference Shares and one vote for each Ordinary Share in respect of which he is appointed corporate representative; and
 - (iii) every proxy present who has been duly appointed by one or more members entitled to vote on the resolution shall have one vote for every 50 Preference Shares and one vote for each Ordinary Share in respect of which he is appointed as proxy, provided always that where a member appoints more than one proxy, this Article 79(B)(iii) does not authorise the exercise by such proxies taken together of more extensive voting rights than could be exercised by the member in person.
- (C) Proxies and corporate representatives voting in accordance with instructions

The Company shall be under no obligation to verify whether or not proxies and corporate representatives have cast their votes in accordance with the instructions given to them by their appointers. To the extent that a proxy or corporate representative has voted other than in accordance with any such instructions the vote(s) in question shall stand and shall not in any way be invalidated and shall not vitiate the relevant resolution.

- 80. If any member be of unsound mind or non compos mentis, he may vote by his committee, receiver, curator bonis or other legal curator. All such persons voting on behalf of others as aforesaid may give their votes either personally or by proxy.
- 81. If two or more persons are jointly entitled to a share, then in voting upon any question the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other holders of the share, and for this purpose seniority shall be determined by the order in which the names stand in the register of members.

82. Save as herein expressly provided, no member shall be entitled to vote either personally or by proxy or by duly authorised corporate representative or to be reckoned in a quorum or to exercise any privilege in respect of:
- (A) any share upon which any call shall be due and payable, or
 - (B) in respect of any shares of which he shall not have been the registered proprietor for at least three months.
83. A proxy need not be a member. On a poll taken at a meeting of the Company or of any class of members a member entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.
84. The instrument appointing a proxy or proxies shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if such appointer is a corporation either under its common seal, if any, or under the hand of some officer duly authorised in that behalf. An instrument appointing a proxy to vote at a meeting shall be deemed to include a power to demand or concur in demanding a poll in behalf of the appointment.
85. The instrument appointing a proxy, together with the power of attorney (if any) under which it is signed or a notarially certified or office copy or extract registered copy thereof, shall be deposited at such place or one of such places (if any) in Scotland as may be prescribed in the notice convening the meeting (or if no place is so specified at the Office) at least twenty-four hours before the time appointed for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or in the case of a poll not less than twenty-four hours before the time appointed for taking the poll, and in default the instrument of proxy shall be treated as invalid.
86. Any instrument appointing a proxy shall be in the following form with such variations (if any) as circumstances may require or the Directors may approve:-

WILLIAM GRANT & SONS HOLDINGS LIMITED

"I _____ of _____ a member of the above-named Company hereby appoint the Chairman of the Company, or failing him, the duly appointed Chairman of the meeting, to vote for me and on my behalf at

the (annual or adjourned, as the case may be) general meeting of the Company to be held on the day of and at every adjournment thereof.

This form is to be used in favour of/against the resolution. Unless otherwise instructed the proxy will vote as he thinks fit.

As witness my hand this day of , 20 ."

87. No objection shall be allowed to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy or by corporate representative, not disallowed at such meeting or poll shall be deemed valid for all purposes.
88. The Chairman of any meeting or poll shall be the sole and absolute judge of the validity of every vote tendered at such meeting or poll, and may allow or disallow the votes tendered according as he shall be of opinion that the same are or are not valid.
89. Any corporation (other than the Company itself) which is a member of the Company may by resolution of its board of directors or other governing body authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any separate meeting of the holders of any class of shares and, subject to the terms of the Statutes, the corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting at which a person or persons so authorised is present.

DIRECTORS

90. Until otherwise determined by a general meeting, the number of Directors shall be not less than two. The Company may by ordinary resolution from time to time determine the maximum number of Directors for the time being; unless it has been so determined there shall be no maximum.
91. The Directors shall have power from time to time and at any time to appoint additional Directors, provided that the total number of Directors shall not exceed the prescribed maximum (if any). Any Director so appointed may act before acquiring his share qualification (if any). A Director so appointed shall hold office only until the next annual general meeting, but shall be eligible for a re-election at that meeting.
92. A Director shall not be required to hold a share qualification but a Director (but not a Special Director) who is not a member of the Company shall nevertheless be entitled

to receive notice of and to attend and speak at all general meetings and all separate meetings of the holders of any class of shares of the Company.

93. The remuneration of the Directors shall from time to time be determined by the Company in general meeting. Unless otherwise directed by the resolution by which it is voted, any such remuneration shall be divided amongst the Directors as they may agree, or, failing agreement, equally. The Directors shall also be entitled to be repaid all expenses properly incurred by them respectively in or about the performance of their duties as Directors, including their expenses of travelling to or from board meetings.
94. If by arrangement with the other Directors any Director shall perform or render any special duties or services outside his ordinary duties as a Director, the Directors may pay him special remuneration, in addition to his ordinary remuneration, and such special remuneration may be by way of salary, commission or participation in profits, or by any or all of those modes, or otherwise as may be arranged.
95. Subject as herein otherwise provided or to the terms of any lawful agreement, the office of a Director shall be vacated:
- (A) if he becomes bankrupt or compounds with his creditors generally;
 - (B) if he becomes of unsound mind;
 - (C) if he ceases to be a Director under the provisions of the Statutes as to the acquiring and holding by Directors of their qualifications (if any);
 - (D) if he absents himself from the meetings of the board of Directors for eight consecutive meetings without special leave of absence from the Directors, and they pass a resolution that he has by reason of such absence vacated his office;
 - (E) if he is prohibited by law from being a Director;
 - (F) if by notice in writing given to the Company he resigns his office; or
 - (G) if he is removed from office by a resolution duly passed pursuant to section 168 of the Act.

96. Unless and until otherwise determined by the Company in general meeting, either generally or in any particular case, no Director shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of seventy or any other age, and any Director retiring or liable to retire under the provisions of these Articles and any person proposed to be appointed a Director shall be capable of being reappointed or appointed (as the case may be) as a Director notwithstanding that at the time of such re-appointment or appointment he has attained the age of seventy or any other age, and no special notice need be given of any resolution for the reappointment or appointment or approving the appointment as a Director of a person who shall have attained the age of seventy or any other age, and it shall not be necessary to give to the members notice of the age of any Director or person proposed to be re-appointed or appointed as such.
97. A Director may hold any other office or place of profit under the Company (including that of Managing Director but excluding that of Auditor) in conjunction with his office of Director, and on such terms as to remuneration and otherwise as the Directors shall arrange.

MANAGING DIRECTORS

98. The Directors may from time to time appoint any one or more of their body to be Managing Director or Managing Directors, for such period and upon such terms as they think fit, and may vest in such Managing Director or Managing Directors such of the powers hereby vested in the Directors generally as they may think fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions, and generally upon such terms as to remuneration and otherwise as they may determine.
99. A Managing Director shall, while he continues to hold that office, be subject (but without prejudice to the provisions of any contract between him and the Company) to the same provisions as to retirement by rotation, resignation or removal as the other Directors of the Company, and if he ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director.

POWERS AND DUTIES OF DIRECTORS

100. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by the Statutes or by

these Articles required to be exercised or done by the Company in general meeting, subject nevertheless to any regulations of these Articles, to the provisions of the Statutes, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting, but no regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made.

101. (A) The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company, and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The Directors shall procure (but as regards Subsidiaries only in so far as by the exercise of voting and other rights or powers of control exercisable by the Company in relation to Subsidiaries the Directors can procure) that the aggregate principal amount (including any fixed or minimum premium payable on repayment at final maturity) for the time being remaining outstanding of all moneys borrowed by the Company and all Subsidiaries (excluding moneys borrowed by the Company from any Subsidiary or by any Subsidiary from the Company or another Subsidiary) shall not at any time without the previous sanction of an ordinary resolution of the Company and without the consent or sanction of the holders of the Preference Shares given in accordance with the provisions of Article 64 exceed a sum equal to one and one half times the Adjusted Capital and Reserves.

- (B) For the purposes of this Article:-

"Subsidiary" means a company which is for the time being a subsidiary (as that expression is defined by section 1159 of the Act) of the Company.

"The Adjusted Capital and Reserves" means at any material time the aggregate of:-

- (i) the amount paid up or credited as paid up on the issued share capital of the Company; and
- (ii) the amounts standing to the credit of capital and revenue reserves (including but not limited to any share premium account, capital redemption reserve, merger reserve and special reserve arising

through the reduction or cancellation of any share premium account and profit and loss account) of the Company and the Subsidiaries, all as shown in a consolidation of the then latest audited balance sheets of the Company and the Subsidiaries, but

- (a) deducting therefrom any amounts attributed to goodwill (except goodwill arising upon consolidation) and any amounts attributable to other intangible assets;
- (b) deducting therefrom any amounts attributable to outside interests in Subsidiaries and any debit balance on profit and loss account;
- (c) excluding therefrom any sums set aside for tax equalisation or deferred taxation or other deferred liabilities;
- (d) deducting therefrom an amount equal to any distribution made or proposed to be made out of profits accrued prior to the date of and not provided for in the said audited balance sheets except in so far as attributable to the Company or a Subsidiary;
- (e) making such adjustments as may be appropriate to reflect any variation in the amount of such paid up share capital or the amounts standing to the credit of the share premium account or the capital redemption reserve, merger reserve or special reserve arising through the reduction or cancellation of any share premium account since the date of the audited balance sheets or which would result from any transaction for the purposes of which the Adjusted Capital and Reserves is being computed or any transaction to be carried out contemporaneously therewith;
- (f) excluding therefrom any amounts representing deferred credits for government grants and any amounts representing other deferred credits; and
- (g) making such other adjustments (if any) as the Auditors consider appropriate.

"Moneys borrowed" shall be deemed to include but shall not be limited to all advances by bankers and others and the following (in each case together with any fixed or minimum premium payable on final repayment) except in so far as otherwise taken into account:-

- (i) the nominal amount of any share capital and of any borrowed money the redemption or repayment whereof is guaranteed by the Company or any Subsidiary and the beneficial interest wherein is not for the time being owned by the Company or a Subsidiary;
- (ii) money raised by the Company or any Subsidiary by means of the factoring or discounting of book debts or by acceptances or acceptance credits granted by a bank or accepting house;
- (iii) the nominal amount of any debenture or other loan capital of the Company or any Subsidiary; and
- (iv) the nominal amount of any share capital (other than equity share capital) of a Subsidiary which is not for the time being beneficially owned by the Company or another Subsidiary;

but the following amounts shall not be or be deemed to be moneys borrowed:-

- (a) moneys owing by the Company to a Subsidiary or by a Subsidiary to another Subsidiary or to the Company;
- (b) amounts borrowed for the purpose of repaying or replacing within four months outstanding borrowings or other obligations proposed so to be repaid or replaced (pending their being so applied within such period);
- (c) the proportion of the amounts borrowed by any partly owned Subsidiary such proportion being that which the issued equity share capital which is not for the time being beneficially owned directly or indirectly by the Company bears to the whole of the issued equity share capital of such partly owned Subsidiary. Provided that if the Company or any other Subsidiary has borrowed any sums from such

partly owned Subsidiary, such proportion shall be deemed to be reduced by the amount of such borrowing; and

- (d) amounts borrowed by the Company or a Subsidiary from bankers or others for the purpose of financing any contract up to an amount not exceeding that part of the price receivable under such contract which is guaranteed or insured by the Export Credits Guarantee Department of the Department for Business, Innovation and Skills or by any other United Kingdom Government Department fulfilling the same function.

102. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Directors may think fit, and may also authorise any such Attorney to sub-delegate all or any of the powers, authorities and discretions vested in him.
103. Subject to the provisions of sections 215 and 217 of the Act, the Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director or former Director who has held any other salaried office or place of profit with the Company or to his widow or dependants and may make contributions to any fund and pay premiums for the purchase of provision of any such gratuity, pension or allowance.
104. The continuing Directors may act at any time notwithstanding any vacancy in their body; provided always that in case the Directors shall at any time be reduced in number to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as Directors for the purpose of filling up vacancies in their body, or of summoning a general meeting of the Company, but not for any other purpose.
105. All cheques, promissory notes, drafts, bills of exchange and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be

signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.

106. The Directors shall duly comply with the provisions of the Statutes, and particularly the provisions as to the keeping, presentation and circulation of accounts, registration and keeping copies of mortgages and charges, keeping the register of members, keeping a register of Directors' interests in shares and debentures, keeping a register of Directors and, if appropriate Secretaries, and entering all necessary particulars therein, and sending a copy thereof or a notification of any changes therein to the Registrar of Companies, and sending to such Registrar an annual return containing all such information and particulars, and having annexed thereto all such documents as are required by the Statutes, together with the statements required by section 856 of the Act, returns of allotments and contracts and other documents relating thereto, copies of resolutions and agreements, and other particulars connected with the above.

DIRECTORS' INTERESTS

107. (A) A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract or arrangement with the Company shall declare the nature and extent of his interest in accordance with the provisions of the Statutes and, in particular, with sections 177 and/or 182 of the Act. For the purposes of this Article:
- (i) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction or arrangement of the nature and extent so specified; and
 - (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- (B) Save as by the next following Article otherwise provided, a Director shall not vote in respect of any contract or arrangement in which he is interested (and if he shall do so his vote shall not be counted) nor shall he be counted for the purpose of any resolution regarding the same in the quorum present at the

meeting, but this Article shall not apply to any of the following matters, namely:-

- (i) Any arrangement for the giving by the Company of any security to a third party in respect of a debt or obligation of the Company for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit or security.
- (ii) Any contract by him to subscribe for or underwrite shares or debentures of the Company.
- (iii) Any contract or arrangement with any other company in which he is interested only as an officer or creditor of or as a shareholder in or beneficially interested in shares of that company.
- (iv) Any such scheme or fund as is referred to in Article 104, which relates both to Directors and to employees or a class of employees and does not accord to any Director as such any privilege or advantage not generally accorded to the employees to which such scheme or fund relates.

The Company may by Ordinary Resolution suspend or relax the provisions of paragraph (B) of this Article to any extent (and either generally or in respect of any particular contract, arrangement or transaction) or ratify any particular contract, arrangement or transaction carried out in contravention thereof.

- 108. A director notwithstanding his interest may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any such appointment as hereinbefore mentioned are considered or varied, and he may vote on any such matter other than in respect of his own appointment or the arrangement or variation of the terms thereof.
- 109. In respect of any situation in which a Director has, or may have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, the

Directors may authorise the matter, on such terms as they may determine, provided that:

- (i) the Director has declared the full nature and extent of the situation to the Directors; and
 - (ii) it is proposed (either by the Director in question or another) that the Directors authorise the matter and upon the resolution to do so the requirement for the quorum is met without counting the Director in question and the resolution was agreed to without such Director voting or would have been agreed to if that conflicted Director's vote had not been counted.
110. Any terms determined by the Directors under Article 109 may be imposed at the time of authorisation or may be imposed subsequently and may include (without limitation):
- (i) the exclusion of the interested Director in question from all information and discussion by the Company of the situation in question; and
 - (ii) (without prejudice to the general obligations of confidentiality) the application to the interested Director of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the situation in question.
111. Any authorisation given by the Directors under Article 109 may provide that, where the interested Director obtains (other than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of confidence.

SPECIAL DIRECTORS

112. The board of Directors may, from time to time appoint any manager or other officer or person in the employment of the Company to be a Special Director of the Company upon the following terms and conditions:-
- (A) The appointment of a person to be a Special Director shall not affect the terms and conditions of his employment by the Company, whether as regards duties, remuneration, pension or otherwise, and his office as a Special

Director shall be vacated not only in the events in which it is by these Articles provided that the office of a Director shall be vacated but also in the event of his ceasing to be in the employment of the Company other than that of a Special Director, or in the event of his being removed from office either by resolution of a majority of the Directors or by the Managing Director (including Joint Managing Director) alone.

- (B) A Special Director shall not, while he continues to hold office, be subject to retirement and he shall not be taken into account in determining the rotation of Directors.
- (C) The appointment and remuneration of the Special Directors shall be determined by the board of Directors, with full powers to make such arrangements as the board of Directors may think fit; and the board of Directors shall have the right to enter into any contracts on behalf of the Company or transact any business of any description without the knowledge or approval of the Special Directors, excepting that no act shall be done that would impose any personal liability on any or all of the Special Directors, either under the Statutes or otherwise, except with his or their knowledge and consent.
- (D) The Special Directors shall not have any right of access to the books of the Company except with the sanction of the board of Directors.
- (E) In calculating the number to form a quorum at any meeting of the board of Directors the Special Directors present shall not be counted nor shall they be reckoned as Directors for the purpose of Article 106.
- (F) A Special Director shall not be entitled to receive notice of or attend board meetings or general meetings of the Company, except when expressly invited by the board of Directors so to do. A Special Director shall in no case be entitled to vote at a board meeting.
- (G) A Special Director shall not be required to hold any share qualification.
- (H) A Special Director shall not be entitled to any part of the remuneration of the Directors as specified in Article 93 hereof but may receive such remuneration by way of a fee as a Special Director as the board of Directors may from time to time approve.

- (I) Subject as aforesaid, the board of Directors may define and limit the powers and duties of the Special Directors.

ROTATION OF DIRECTORS

113. Subject to the provisions of these Articles, one of the Directors shall retire from office at the annual general meeting in every year. Unless otherwise agreed in writing by the Directors, the Director to retire shall be the Director who has been longest in office since his last election. As between Directors of equal seniority, the Directors to retire shall, in the absence of agreement, be selected from among them by lot. A retiring Director shall be eligible for immediate re-election, and shall act as a Director throughout the meeting at which he retires.
114. Subject to any resolution reducing the number of Directors, the Company shall, at the meeting at which any Director shall retire in manner aforesaid, fill up the vacated office by electing the retiring Director or some other person eligible for appointment.
115. No person, not being a Director retiring at the meeting, shall, unless recommended by the Directors for election, be eligible for the office of Director at any general meeting, unless, within the prescribed time before the day appointed for the meeting, there shall have been given to the Company notice in writing by some member duly qualified to be present and vote at the meeting for which such notice is given of his intention to propose such person for election, and also notice in writing, signed by the person to be proposed, of his willingness to be elected. The prescribed time above-mentioned shall be such that, between the date when the notice is served or deemed to be served and the day appointed for the meeting, there shall be not less than fourteen nor more than twenty-eight intervening days.
116. If at any meeting at which an election of Directors ought to take place, the place of any retiring Director is not filled up, such retiring Director shall, if willing to act, be deemed to have been re-elected, unless at such meeting it shall be determined to reduce the number of Directors or a resolution for the re-election of such retiring Director shall have been put to the meeting and not carried.
117. The Company may from time to time by ordinary resolution increase or reduce the number of Directors, and determine in what rotation such increased or reduced number shall go out of office, and may make the appointments necessary for effecting any such increase as aforesaid; but this Article shall not be construed as authorising the removal of a Director otherwise than in accordance with the Statutes.

118. Any casual vacancy occurring in the board of Directors may be filled up by the Directors. Any person so chosen shall retain his office only until the next following annual general meeting of the Company, but he shall be eligible for re-election at that meeting.
119. The Company may in accordance with and subject to the provisions of the Statutes by ordinary resolution of which special notice has been given remove any Director from office notwithstanding any provision of these presents or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any other agreement, and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled by the Directors as a casual vacancy.

PROCEEDINGS OF DIRECTORS

120. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined, two shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.
121. A Director may, and on the request of a Director the Secretary shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director who is for the time being absent from the United Kingdom. A meeting shall be called by at least three clear days' notice unless a majority of the Directors entitled to receive such notice consent to hold a meeting without such notice. All or any member of the board of Directors or any committee of the board of Directors may participate in a meeting of the board of Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to speak to and hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is no such group, where the Chairman of the meeting then is.

122. The Directors may elect a Chairman of their meetings and determine the period for which he holds office; but if no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, then the Director present who has been longest in office shall be Chairman of that meeting. For this purpose length in office shall be computed by aggregating the several periods during which such person is a Director.
123. The Directors may delegate any of their powers, authorities and discretions to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers, authorities and discretions so delegated conform to any regulations that may be imposed on it by the Directors.
124. The Chairman of the board of Directors shall be the Chairman of all committees; if he is not present at the time appointed for holding any committee meeting, the members present shall choose one of their own number to be Chairman.
125. A committee may meet and adjourn as its members think proper. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.
126. All bona fide acts done by any meeting of Directors, or of a committee of Directors, or by any person acting as a Director, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director.
127. The Directors shall cause proper minutes to be made of all the general meetings of the Company and also of all appointments of officers, and of the proceedings of all meetings of Directors and committees, and of the attendances thereat, and all business transacted at such meetings; and any such minutes of any such meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be conclusive evidence without any further proof of the facts therein stated.
128. A resolution in writing signed by a majority of the Directors which includes either the Chairman or the Managing Director (if any) shall be as effective for all purposes as a

resolution passed at a meeting of the Directors duly convened and may consist of several documents in like form each signed by one or more Directors.

THE SEAL

129. The Seal shall not be affixed to any instrument except by the authority of a resolution of the board of Directors, and in the presence of at least two Directors or if appropriate, one Director and the Secretary (or of one of the Joint Secretaries) or by such other person or persons as the Directors may approve, and such persons shall sign every instrument to which the Seal shall be affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Company such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed. The Company may exercise the powers of section 49 of the Act, and such powers are accordingly hereby vested in the Directors.

SECRETARY

128. If the Directors determine it appropriate, a Secretary may be appointed by the Directors, for such time, at such remuneration, and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The Directors may from time to time appoint an assistant or deputy Secretary, to exercise the functions of the Secretary and shall be empowered also to appoint Joint Secretaries of the Company.

DIVIDENDS AND RESERVE FUND

130. Subject to any preferential or other special rights for the time being attached to any special class of shares, the profits of the Company which it shall from time to time be determined to distribute by way of dividend shall be applied in payment of dividends upon the shares of the Company in proportion to the amounts paid up or credited as paid up thereon respectively, otherwise than in advance of calls.
131. The Company in general meeting may from time to time declare dividends, but no such dividends shall be payable except out of the profits of the Company. The Directors may, if they think fit, from time to time pay to the members such interim dividends as appear to them to be justified by the position of the Company, and may also from time to time, if in their opinion such payment is so justified, pay any preferential dividends which by the terms of issue of any shares are made payable on fixed dates. No higher dividend shall be paid than is recommended by the Directors,

and the declaration of the Directors as to the amount of the net profits shall be conclusive.

132. The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they think proper to a reserve fund or reserve account, which shall at the discretion of the Directors be applicable for meeting contingencies, or for repairing or maintaining any works connected with the business of the Company, or shall, with the sanction of the Company in general meeting be, as to the whole or in part, applicable for equalising dividends, or for distribution by way of special dividend or bonus, or may be applied for such other purposes for which the profits of the Company may lawfully be applied as the Directors may think expedient in the interests of the Company, and pending such application the Directors may employ the sums from time to time so set apart as aforesaid in the business of the Company or invest the same in such securities, other than the shares of the Company, as they may select. The Directors may also from time to time carry forward such sums as they may deem expedient in the interests of the Company.
133. Every dividend warrant may, unless otherwise directed, be sent by post to the last registered address of the member entitled thereto, or, in the case of joint holders, to any one of such holders; and the receipt of the person whose name at the date of the declaration of the dividend appears on the register of members as the holder of any share, or, in the case of joint holders, of any one of such holders, shall be a good discharge to the Company for all payments made in respect of such share. Subject to the rights attaching to, or the terms of issue of, any shares, no unpaid dividend or interest shall bear interest against the Company. The Company may deduct from the dividends payable to any member all such sums of money as may be due and payable by him to the Company on account of calls or otherwise.
134. All the dividends or other sums unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed; and all dividends unclaimed for five years after having been declared may be forfeited by the Directors for the benefit of the Company.

CAPITALISATION OF RESERVES, ETC.

135. Subject to the Statutes and any necessary sanction or authority being obtained, the Company in general meeting may at any time and from time to time pass a resolution that any sum not required for the payment or provision of any fixed preferential dividend, and (A) for the time being standing to the credit of any reserve of the

Company (including any share premium account, capital redemption reserve, merger reserve or special reserve arising on the cancellation or reduction of any share premium account), or (B) being undivided net profits in the hands of the Company including profits arising from the appreciation in value of the fixed assets of the Company, be capitalised, and that such sum be appropriated as capital to and amongst the ordinary shareholders in the proportions in which they would have been entitled thereto if the same had been distributed by way of dividend on the Ordinary Shares, and in such manner as the resolution may direct, and such resolution shall be effective; and the Directors in accordance with such resolution shall apply such sum in paying up in full any unissued shares or (save as regards any amount standing to the credit of a share premium account or a capital redemption reserve, merger reserve or special reserve arising on the cancellation or reduction of any share premium account) any debentures of the Company on behalf of the ordinary shareholders aforesaid, and appropriate such shares or debentures and distribute the same credited as fully paid up to and amongst such shareholders in the proportions aforesaid in satisfaction of the shares and interests of such shareholders in the said capitalised sum, or (save as regards any such amount as aforesaid) shall apply the sum so resolved to be capitalised or any part thereof on behalf of the shareholders aforesaid in paying up the whole or part of any uncalled balance which shall for the time being be unpaid in respect of any issued Ordinary Shares held by such shareholders. Where any difficulty arises in respect of any such distribution, the Directors may settle the same as they think expedient, and in particular they may issue fractional certificates, fix the value for distribution of any fully paid-up shares or debentures, make cash payments to any shareholders on the footing of the value so fixed in order to adjust rights, and vest any such shares or debentures in trustees upon such trusts for or for the benefit of the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. When deemed requisite a proper contract for the allotment and acceptance of any shares to be distributed as aforesaid shall be delivered to the Registrar of Companies for registration in accordance with section 555 of the Act, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the appropriation and distribution and such appointment shall be effective.

ACCOUNTS

136. The Directors shall cause such accounts to be kept -
- (A) of the assets and liabilities of the Company;

- (B) of all sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure takes place;
- (C) of all sales and purchases of goods by the Company,

as are necessary to give a true and fair view of the Company's affairs and to explain its transactions. The books of account shall be kept at the Office, or at such other place as the Directors shall think fit, and shall always be open to the inspection of the Directors.

137. The Directors shall from time to time determine whether, in any particular case or class of cases, or generally, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members, and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors or by resolution of the Company in general meeting.
138. Once at least in every year the Directors shall lay before the Company in general meeting a proper profit and loss account for the period since the preceding account, made up to a date not more than nine months before such meeting. A proper balance sheet shall also be made out in every year as at the date to which the profit and loss account is made up, and shall be laid before the Company in general meeting. The said account and balance sheet shall be accompanied by or have annexed or attached thereto such group accounts (if any), reports and documents and shall contain such particulars as are prescribed by the Statutes and are applicable to the Company, and the Directors shall in their report state the amount which they recommend to be paid by way of dividend, and the amount (if any) which they propose to carry to reserve and shall otherwise comply with the requirements of the Statutes. Copies of all such documents and any other documents required by law to be annexed or attached thereto shall not less than twenty-one clear days before the date of the meeting before which they are to be laid be sent to the Auditors and to all members of the Company and all holders of debentures of the Company who are entitled to receive the same as required by sections 423 and 431 of the Act.

AUDIT

139. Once at least in every year the accounts of the Company shall be examined, and the correctness of the profit and loss account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.

NOTICES

140. A notice or any other document may be served by the Company upon any member either personally or by sending it through the post in a prepaid letter addressed to the member at his registered address as appearing in the register of members or by leaving it at that address addressed to the member. If at any time the Directors consider that it is impracticable to give any notice to members in manner aforesaid or that such notice may be unduly delayed in the post the said notice shall be sufficiently given by advertisement which shall be inserted once in at least two leading daily newspapers published in Scotland.
141. All notices directed to be given to the members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the register of members, and any notice so given shall be sufficient notice to the holders of such share.
142. Any member described in the register of members by an address not within the United Kingdom who shall from time to time give the Company an address within the United Kingdom at which notices may be served upon him shall be entitled to have served upon him at such address any notice to which he would be entitled under these Articles if he had a registered address within the United Kingdom, but, save as aforesaid and as provided by the Act, only those members who are described in the register of members by an address within the United Kingdom shall be entitled to receive notices from the Company.
143. A notice may be given by the Company to the persons entitled to any share in consequence of the death or bankruptcy of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives or trustees of such deceased or bankrupt member, at the address (if any) in the United Kingdom supplied for the purpose by such persons as aforesaid (until such an address has been supplied) by giving the notice in the manner in which the same would have been given if the death or bankruptcy had not occurred.

144. Any notice or other document, if served or sent by post, shall be deemed to have been served or delivered at the expiration of twenty-four hours after the time when the letter containing the same is put into the post, and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a prepaid letter. In giving notice the day of service and the day upon which such notice expires shall be excluded from the period of notice.

WINDING UP

145. If the company is wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Statutes, divide among the members in specie the whole or any part of the assets of the company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any shares or other assets upon which there is a liability.

INDEMNITY

146. Subject to the provisions of the Statutes, the Company may indemnify any Director or other officer of the Company against any liability and the Company may purchase and maintain for any Director or other officer insurance against any liability. Subject to those provisions, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer of the Company (other than any person, whether an officer or not, engaged by the Company as auditor) shall be indemnified out of the assets of the Company against:

- (1) any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company; and
- (2) any other liability incurred by that officer as an officer of the Company or an associated company,

provided that this Article shall be deemed not to provide for, or entitle any person to, indemnification to the extent that it would cause this Article, or any element of it, or such indemnification, to be treated as void under the Statutes. In this Article,

companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

147. No Director or trustee, his heirs, executors, or administrators, shall be liable for any other Director or trustee, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the funds of the Company shall be invested, or for any loss or damage which may arise from the bankruptcy, insolvency, or wrongful act of any person with whom any moneys, securities, or effects shall be deposited, or for any loss, damage or misfortune whatsoever, which shall happen in the execution of the duties of his office, or in relation thereto, unless the same shall happen through his own negligence, wilful neglect or default.