The Companies Acts 2006

WRITTEN RESOLUTION BY
CLOUDGINE LIMITED
Private Company Limited by shares
(Company Number SC423700) ("the Company")

Written Resolution
of
Cloudgine Limited
29th January 2015 ("circulation date")

The Directors of Company propose that the following resolution is passed as a Special Resolution, namely:-

"That the draft Articles annexed hereto be adopted as the Articles of the Association of the Company and in substitution for and to the exclusion of all the existing Articles of Association."

Agreement

Please read the notes at the end of this document before signifying your agreement to the Resolution.

I the undersigned a member of the Company entitled to vote on the Resolution on the circulation date hereby irrevocably agree to the Resolution.

Signed by

....

Name...DAVID JONES...........

Date...29th January 2015...........

TUESDAY
S40XAULV
SCT 10/02/2015 #383
COMPANIES HOUSE

Notes

1 This Written Resolution has been proposed by the Directors of the Company. The purpose of the Resolution is for the Company to adopt new Articles of Association in substitution for the existing Articles of Association.

2 If you agree with the Resolution please indicate your agreement by signing and dating this document where indicated above and returning to the Company by hand to the registered office of the Company.

If you do not agree the Resolution you need not do anything; you will not be deemed to agree if you fail to reply.

3 Once you have indicated your agreement to the Resolution you may not revoke your agreement.

4 Unless within 28 days of the circulation date sufficient agreement has been received for the Resolution to pass it will lapse. If you agree to the Resolution please ensure that your agreement reaches the Company on or before this date.

5 In case of joint holders of shares only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which names of the joint holders appear in the Register of Members.

6 If you are signing the document on behalf of a person under a Power of Attorney or other authority please send a copy of the relevant Power of Attorney or authority when returning this document.

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Name...MARCO ANASTASI...........

Date...29th January 2015...

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Signed by

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Name...MAURIZIO SCIGLIO...

Date...29th January 2015...

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ARTICLES OF ASSOCIATION

OF

CLOUDGINE LIMITED
(COMPANY NUMBER SC423700)

Adopted by Special Resolution on 29th January 2015

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise:-

   1.1. "articles" means the company's articles of association;

   1.2. "bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

   1.3. "chairman" has the meaning given in article 12;

   1.4. "chairman of the meeting" has the meaning given in article 44;

   1.5. "Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

   1.6. "director" means a director of the company, and includes any person occupying the position of director, by whatever name called;

   1.7. "distribution recipient" has the meaning given in article 36;

   1.8. "document" includes, unless otherwise specified, any document sent or supplied in electronic form;

   1.9. "electronic form" has the meaning given in section 1168 of the Companies Act 2006;

   1.10. "fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

   1.11. "hard copy form" has the meaning given in section 1168 of the Companies Act 2006;

   1.12. "holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

   1.13. "instrument" means a document in hard copy form;

   1.14. "ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;

MS

1.15. "paid" means paid or credited as paid;

1.16. "participate", in relation to a directors' meeting, has the meaning given in article 10;

1.17. "proxy notice" has the meaning given in article 50;

1.18. "shareholder" means a person who is the holder of a share;

1.19. "shares" means shares in the company;

1.20. "special resolution" has the meaning given in section 283 of the Companies Act 2006;

1.21. "subsidiary" has the meaning given in section 1159 of the Companies Act 2006;

1.22. "transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

1.23. "writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

2. Liability of members

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

PART 2

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

3. Directors' general authority

Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

4. Shareholders' reserve power

4.1. The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.

4.2. No such special resolution invalidates anything which the directors have done before the passing of the resolution.

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5. Directors may delegate

5.1. Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:-

5.1.1. to such person or committee;

5.1.2. by such means (including by power of attorney);

5.1.3. to such an extent;

5.1.4. in relation to such matters or territories; and

5.1.5. on such terms and conditions;

as they think fit.

5.2. If the directors so specify, any such delegation may authorise further delegation of the

directors' powers by any person to whom they are delegated.

5.3. The directors may revoke any delegation in whole or part, or alter its terms and conditions.

6. Committees

6.1. Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

6.2. The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

7. Directors to take decisions collectively

7.1. The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

7.2. If:-

7.2.1. the company only has one director, and

7.2.2. no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

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8. Unanimous decisions

8.1. A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

8.2. Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.

8.3. References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

8.4. A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

9. Calling a directors' meeting

9.1. Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

9.2. Notice of any directors' meeting must indicate:-

9.2.1. its proposed date and time;

9.2.2. where it is to take place; and

9.2.3. if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

9.3. Notice of a directors' meeting must be given to each director, but need not be in writing.

9.4. Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

10. Participation in directors' meetings

10.1. Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:-

10.1.1. the meeting has been called and takes place in accordance with the articles, and

10.1.2. they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

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10.2. In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

10.3. If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

11. Quorum for directors' meetings

11.1. At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

11.2. The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.

11.3. If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:-

11.3.1. to appoint further directors, or

11.3.2. to call a general meeting so as to enable the shareholders to appoint further directors.

12. Chairing of directors' meetings

12.1. The directors may appoint a director to chair their meetings.

12.2. The person so appointed for the time being is known as the chairman.

12.3. The directors may terminate the chairman's appointment at any time.

12.4. If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

13. Casting vote

13.1. If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.

13.2. But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

14. Conflicts of interest

14.1. If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

MS

14.2. But if article 14.3 applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

14.3. This paragraph applies when:-

14.3.1. the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;

14.3.2. the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or

14.3.3. the director's conflict of interest arises from a permitted cause.

14.4. For the purposes of this article, the following are permitted causes:-

14.4.1. a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;

14.4.2. subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and

14.4.3. arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

14.5. For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

14.6. Subject to article 14.7 if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

14.7. If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

15. Records of decisions to be kept

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

16. Directors' discretion to make further rules

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Subject to the article, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

17. Methods of appointing directors

17.1. Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:-

17.1.1. by ordinary resolution, or

17.1.2. by a decision of the directors.

17.2. In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.

17.3. For the purposes of article 17.2, where 2 or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

18. Termination of director's appointment

18.1. person ceases to be a director as soon as:-

18.1.1. that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

18.1.2. a bankruptcy order is made against that person;

18.1.3. a composition is made with that person's creditors generally in satisfaction of that person's debts;

18.1.4. a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

18.1.5. notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

19. Directors' remuneration

19.1. Directors may undertake any services for the company that the directors decide.

19.2. Directors are entitled to such remuneration as the directors determine:-

MS

19.2.1. for their services to the company as directors, and

19.2.2. for any other service which they undertake for the company.

19.3. Subject to the articles, a director's remuneration may:-

19.3.1. take any form, and

19.3.2. include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

19.4. Unless the directors decide otherwise, directors' remuneration accrues from day to day.

19.5. Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

20. Directors' expenses

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:-

20.1. meetings of directors or committees of directors,

20.2. general meetings, or

20.3. separate meetings of the holders of any class of shares or of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

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PART 3

SHARES AND DISTRIBUTIONS

SHARES

21. All shares to be fully paid up

21.1. No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.

21.2. This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

22. Powers to issue different classes of share

22.1. Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

22.2. The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

23. Company not bound by less than absolute interests

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

24. Share certificates

24.1. The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

24.2. Every certificate must specify:-

24.2.1. in respect of how many shares, of what class, it is issued;

24.2.2. the nominal value of those shares;

24.2.3. that the shares are fully paid; and

24.2.4. any distinguishing numbers assigned to them.

24.3. No certificate may be issued in respect of shares of more than one class.

24.4. If more than one person holds a share, only one certificate may be issued in respect of it.

24.5. Certificates must:-

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24.5.1. have affixed to them the company's common seal, or

24.5.2. be otherwise executed in accordance with the Companies Acts.

25. Replacement share certificates

25.1. If a certificate issued in respect of a shareholder's shares is:-

25.1.1. damaged or defaced, or

25.1.2. said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.

25.2. A shareholder exercising the right to be issued with such a replacement certificate:-

25.2.1. may at the same time exercise the right to be issued with a single certificate or separate certificates;

25.2.2. must return the certificate which is to be replaced to the company if it is damaged or defaced; and

25.2.3. must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

26. Share transfers

26.1. Subject to the provisions of the following articles shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.

26.2. No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

26.3. The company may retain any instrument of transfer which is registered.

26.4. The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

26.5. The directors may refuse to register the transfer of a share,

27. Transfer of Shares

27.1. No shareholder shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these articles) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to article 27.6).

27.1.1 as permitted by articles 29.6, 29.7 and 29.8

27.1.2 as permitted by article 28;

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27.2. If a shareholder at any time commits a breach of article 27.1 in relation to any share, he shall be deemed immediately prior to such breach, to have given a transfer notice in respect of such share.

27.3. For the purposes of ensuring that a particular transfer of shares is permitted under these articles, any shareholder may require the transferor or the person named as transferee in any transfer lodged for registration to furnish him and the directors with such information and evidence as such shareholder may think reasonably necessary or relevant. Failing such information or evidence being furnished to the reasonable satisfaction of such shareholder within a period of 28 days after such request, the directors shall, unless such shareholder otherwise directs, refuse to register the transfer in question.

27.4. Where a transfer notice in respect of any share is deemed to have been given under any provision of these articles and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such transfer notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of article 28 shall apply accordingly.

27.5. A deemed transfer notice shall be deemed not to contain a Total Transfer Condition (as defined in article 28) and shall not be revocable.

27.6. The directors shall not refuse to register any transfer of a share which is permitted under these articles but otherwise may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of any share and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

27.7. If a shareholder or any transferee becomes aware of any event which is deemed to give rise to an obligation to serve a transfer notice he shall forthwith give written notice thereof to the directors.

28. <u>Pre-Emption Rights</u>

28.1. Except for a transfer of shares which is permitted under these articles as mentioned in article 27.1, no share shall be transferred until the following conditions of this article are complied with.

28.2. Any shareholder proposing to transfer a share ('the proposing transferor') shall give notice in writing ('transfer notice') to the directors that the proposing transferor desires to transfer such share. In the transfer notice, the proposing transferor shall specify:

28.2.1. the number and class of shares which the proposing transferor wishes to transfer ('the Transfer Shares') (which may be all or part only of the shares then held by the proposing transferor);

28.2.2. the price at which the proposing transferor wishes to sell the Transfer Shares and the identity of any person who has indicated a willingness to purchase the Transfer Shares at such price;

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28.3. A transfer notice shall also state whether the proposing transferor wishes to impose a Total Transfer Condition (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this article, none shall be so sold), but in the absence of such a statement the transfer notice shall be deemed not to contain a Total Transfer Condition. Any two or more shareholders shall be entitled to serve a joint transfer notice (meaning a notice signed by each of them specifying the shares which they wish together to transfer) containing a Total Transfer Condition and such notice shall for all the purposes of this article, take effect as if it were a single transfer notice and the Total Transfer Condition related to all the shares the subject of the joint transfer notice, but the obligations of those shareholders thereunder or in respect thereof shall be several only in proportion to the number of Transfer Shares which they hold respectively;

28.4. The transfer notice shall constitute the company (by its board of directors) as the agent or the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the transfer notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this article. Save as expressly provided in these articles a transfer notice shall be revocable at any time until the expiration of the Withdrawal Period (as hereinafter defined). If a proposing transferor revokes a transfer notice he may not subsequently transfer the shares the subject of the transfer notice (or any interest therein) otherwise than in accordance with these articles.

28.5. Within seven days after the receipt of any transfer notice, the directors shall serve a copy of that transfer notice on all the members other than the proposing transferor. In the case of a deemed transfer notice, the directors shall similarly serve notice on all the shareholders (including the proposing transferor), notifying them that the same has been deemed to have been given, within one month after (i) the date of the event giving rise to the deemed transfer notice or (ii) (if later) the date on which the directors (as a whole) actually became aware of such event.

28.6. Subject as provided otherwise in these articles, the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ('the Transfer Price') determined in accordance with article 28.7.

28.7. the Transfer Price shall be such price as shall be agreed in writing between the proposing transferor and the directors (other than the proposing transferor, if he be a director) or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 21 days after the service of such notices pursuant to article 28.5 the Transfer Price will be determined by an independent Chartered Accountant of not less than ten years' standing ('the Expert') who shall be nominated by agreement between the directors and the proposing transferor or failing such nomination, within fourteen days after the request of the directors and the proposing transferor therefor nominated at the request of any of the directors and the proposing transferor by the President (or in his absence for any reason the Vice President or any relevant designated official for such purpose) from time

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to time of the Institute of Chartered Accountants in Scotland. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the shareholders.

28.8. The Expert will certify the open market value of the Transfer Shares as at the date of the transfer notice on the following assumptions and bases:

28.8.1. valuing the Transfer Shares as on an arm's length sale between a willing seller and a willing purchaser;

28.8.2. if the Company is then carrying on business as a going concern, on the assumption that it will continue so to do;

28.8.3. that the Transfer Shares are capable of being transferred without restriction; and

28.8.4. valuing the Transfer Shares as a rateable proportion of the total value of all the issued shares of the Company without any premium or discount being attributable to the class of the Transfer Shares or the percentage of the issued share capital of the company which they represent.

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

The Transfer Price shall be a sum equal to the open market value of the Transfer Shares determined as aforesaid divided by the number of Transfer Shares. The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do.

28.9. If the determination of the Transfer Price is referred to the Expert, the date of determination of the Transfer Price ('the Determination Date') shall be the date on which the directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between the proposing transferor and the directors as aforesaid then the Determination Date shall be the date on which such agreement is made.

28.10. Where the Expert has determined the Transfer Price as aforesaid, the proposing transferor shall be entitled if the Transfer Price is not acceptable to him (save as otherwise provided in these articles) to revoke the transfer notice by giving notice in writing to the directors provided that he does so within a period of fourteen days after the later of (a) the Determination Date and (b) the date on which the expert's determination of the Transfer Price is received by the proposing transferor (such period being herein referred to as "the Withdrawal Period").

28.11. The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless (a) the proposing transferor shall revoke the Transfer Notice pursuant to article 28.10; or (b) none of the Transfer Shares are purchased pursuant to article 28.12 and 28.14, in which events the

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proposing transferor shall pay all of such costs and expenses. In the case of default by a person in paying his due proportion of such costs and expenses any of the other contributors or (if the proposing transferor is solely responsible for such costs and expenses) the company may pay such sum in his stead and any payment made in so doing shall be recoverable from the defaulter as a debt payable on demand.

28.12. Within seven days after the Determination Date or if the transfer notice is capable of being revoked, within seven days after the expiry of the Withdrawal Period the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to those shareholders who at the date of the offer are registered as the holders of shares (other than the proposing transferor) in proportion to the number of shares held by them respectively. Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares; (b) the number of Transfer Shares offered to the member ('Pro-Rata Entitlement'); (c) whether or not the transfer notice contained a Total Transfer Condition and (d) a period (being not less than fourteen days and not more than twenty one days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the shareholder in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase.

Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner:

28.12.1. to each shareholder who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;

28.12.2. if any member has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to the shareholders who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any shareholder a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this sub-paragraph (b) without taking account of any shareholder whose application has already been satisfied in full.

28.13. If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the shareholders, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.

28.14. (a) If by the foregoing procedure the directors shall not receive acceptances from members in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to all the members, whereupon the holders of at least three-quarters in nominal value of the issued shares of the company

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(excluding the shares held by the proposing transferor) shall be entitled within fourteen days of the date of service of that notice to nominate (by giving notice in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a member) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchaser(s) of such Transfer Shares (and the directors shall be deemed to have made an offer of such shares accordingly); Provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this article or to perform or discharge any of his other obligations hereunder the shareholders (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser and to perform and discharge all such other obligations.

(b) If the transfer notice in question contained a Total Transfer Condition then no offer of Transfer Shares made by the directors pursuant to this article shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the shareholders (or any of them) or any person or persons nominated pursuant to article 28.14(a). If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s), they shall forthwith give notice in writing of that fact to the proposing transferor and none of the Transfer Shares will be sold to the shareholders or any person or persons nominated as aforesaid (except as mentioned below) pursuant to this article. The proposing transferor may within a period of 3 months after the date of the directors' said notice either:-

28.14.1 sell all (but not some only) of the Transfer Shares to any person or persons (including other than any shareholder) at any price which is not less than the Transfer Price (after deducting, where appropriate, any net dividend or other distribution to be retained by the proposing transferor), or

28.14.2 transfer the Transfer Shares in accordance with the provisions of articles 29.1 to 29.5 inclusive

28.15. If, by the foregoing procedure, the directors shall receive acceptances (or nominations) in respect of all the Transfer Shares, the directors shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the shareholder or shareholders who have agreed to purchase the same (or to the person or persons nominated pursuant to article 29.14 (a)) ('purchaser' or 'purchasers') and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the purchaser, the company and the directors therefor none of whom shall be bound to see to the application thereof) to transfer to each purchase those Transfer Shares accepted by him. Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time

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appointed by the directors for the completion of the purchase (being not less than seven days nor more than twenty eight days after the date of the said notice and not being at a place outside Scotland). Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the directors.

28.16. If the transfer notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid offers), they shall forthwith give notice in writing of that fact to the proposing transferor, and the proposing transferor:

28.16.1. shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser (if any) those Transfer Shares accepted by him and the provisions of article 28.15 shall apply mutatis mutandis thereto;

28.16.2. may within a period of 3 months after the date of the directors' said notice either:-

28.16.2.1. sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including other than any shareholder) at any price which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution to be retained by the proposing transferor) or

28.16.2.2. transfer the Transfer Shares in accordance with the provisions of articles 29.1 to 29.5 inclusive.

28.17. If a proposing transferor, having become bound to transfer any Transfer Shares pursuant to this article, makes default in transferring the same the directors may authorise some person (who is (as security for the performance of the proposing transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the proposing transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the proposing transferor. The company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the company. The receipt of the company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be question by any person.

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28.18. Without prejudice to the generality of article 27.3 the directors may require to be satisfied that any shares being transferred by the proposing transferor pursuant to either article 28.14.1 or article 28.16.1 are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer.

28.19.

28.19.1. In this article a 'Relevant Event' means:

28.19.1.1. in relation to a shareholder being an individual:

28.19.1.1.1. such shareholder being adjudicated bankrupt; or

28.19.1.1.2. such member dying; or

28.19.1.1.3. such shareholder ceasing to be connected with the Company; and for these purposes an individual shall be treated as connected with the Company if but only if and so long as he is a Director or Employee thereof; or

28.19.1.1.4. a shareholder making any voluntary arrangement or composition with his creditors;

28.19.1.2. in relation to a shareholder being a body corporate:

28.19.1.2.1. a receiver, manager, administrative receiver or administrator being appointed of such shareholder over all or any part of its undertaking or assets; or

28.19.1.2.2. such shareholder entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation of reconstruction); or

28.19.1.2.3. such shareholder ceasing to be controlled (as defined by Section 416 of the Income and Corporation Taxes Act 1988) by the person(s) who controls such shareholder on the date on which it became a member of the Company on the date of adoption of these articles (whichever shall be the later)

28.19.2. Upon the happening of any Relevant Event, the shareholder in question shall be deemed to have

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immediately given a transfer notice in respect of all the shares as shall then be registered in the name of such shareholder.

28.20. An obligation to transfer a share under the provisions of this article shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

28.21. Notwithstanding the foregoing articles the Directors shall, subject to compliance with all relevant statutory provisions, be entitled to procure that the Company shall buy back the whole or any part of the Transfer Shares from the proposing transferor at the Transfer Price and in the event that the Directors determine to procure as aforesaid such determination shall take precedence over the other provisions of this article 28.

29. Permitted Transfer

For the purposes of this article:

29.1. 'privileged relation' in relation to a shareholder means the spouse (or widow or widower) of the shareholder and the shareholder's lineal descendants and for the purposes aforesaid a step-child or adopted child or illegitimate child of any shareholder shall be deemed to be a lineal descendant of such shareholder;

29.2. 'family trust' means, in relation to a shareholder being an individual or a deceased shareholder, a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of that shareholder and/or a privileged relation of that shareholder and no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees or such shareholder or his privileged relations.

29.3. 'settlor' includes a testator or an intestate in relation to a family trust arising respectively under a testamentary disposition or an intestacy of a deceased shareholder.

29.4. A shareholder being an individual (not being in relation to the shares in question a holder thereof as a trustee of a family trust) may in accordance with the provisions of articles 28.14.2 or 28.16.2 transfer all or any of the shares held by him:

29.4.1. to a privileged relation; or

29.4.2. to trustees to be held upon a family trust of such shareholder.

29.5. Where such shares are held by trustees upon a family trust:

29.5.1. such shares may on any change of trustees be transferred to the new trustees of that family trust;

29.5.2. such shares may at any time be transferred to any person to whom under article 29 the same could have been transferred by the settlor if he had remained the holder thereof; and

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29.5.3. if and whenever any such shares cease to be held upon a family trust (otherwise than in consequence of a transfer authorised by article 29.5) or there cease to be any beneficiaries of that family trust the trustees shall be deemed immediately to have given a transfer notice in respect of all their relevant shares.

29.5.4. for the purposes of this article, the expression 'relevant shares' means and includes (so far as the same remain from time to time held by the trustees) the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them.

29.6. A shareholder may at any time transfer all or any of his shares

29.6.1. to any other shareholder; or

29.6.2. in the case of a shareholder being a nominee, to the person who is the beneficial owner or to a person to whom the beneficial owner, if he were registered as the holder, would have been entitled to transfer his shares in accordance with these articles; provided that the provisions of this paragraph shall not apply in circumstances where the beneficial ownership of the share in question became vested in the beneficial owner in contravention of any of the provisions of these articles; or

29.6.3. to any person with the prior written consent of all the other shareholders.

29.7. The transmittee of a shareholder may at any time transfer all or any of the shares to which they are entitled to any person to whom the holder would be permitted to transfer the same under these articles.

29.8. if the transmittee of a shareholder is permitted under these articles to become registered as the holders of any such shareholder's shares and elect so to do then such shares may at any time be transferred by such transmittee to any person to whom under this article the same could have been transferred by such shareholder if he had had remained the holder thereof, but no other transfer of such shares by the transmittee shall be permitted under this article.

29.9. Unless all the shareholders otherwise consent in writing, no transfer of any share permitted by this article shall be made during the active period of any transfer notice or deemed transfer notice in respect of such share (and for this purpose 'active period' in respect of a given notice means the period from the time of its service until the time when no member has any further rights or obligations, directly or indirectly, pursuant to that notice).

30. DRAG-ALONG RIGHTS

30.1. If shareholders holding not less than 60 per cent in nominal value of the shares (for the purposes of this article 30 "the Sellers") intend to sell all of their shares or any interest in such shares (the shares to be sold by the Sellers being referred to as the "Sale Shares") to a proposed purchaser ("the Proposed Purchaser") who has indicated a bona fide intention to

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intention to make an offer on arm's length terms for the purchase of the entire issued share capital of the company, the Sellers shall give notice in writing to the company ("the Sale Notice").

30.2. The Sale Notice will include details of the Sale Shares and the proposed price for each Sale Share to be paid by the Proposed Purchaser, the proposed price to be paid by the Proposed Purchaser for any Shares held by the Other Shareholders (if different), details of the Proposed Purchaser, and the place, date and time of completion of the proposed purchase being a date not less than 28 days from the date of the Sale Notice ("Completion").

30.3. Immediately upon receipt of the Sale Notice, the company shall give notice in writing ("a Compulsory Sale Notice") to each of the Shareholders other than the Sellers ("the Dragged Shareholders") giving the details contained in the Sale Notice, requiring each of them to sell to the Proposed Purchaser at Completion all of their shares on the same terms as those contained in the Sale Notice.

30.4. Each of the Dragged Shareholders shall sell all of his shares referred to in the Compulsory Sale Notice at the price per share set out in that notice and on the other terms set out in the Sale Notice; provided that:-

30.4.1. such price shall be not less than fair value (and in the event of disagreement any such disagreement requiring to be intimated to the company not later than seven days after the date of receipt of the Compulsory Sale Notice the calculation of the fair value shall be referred to a chartered accountant (acting as expert and not as arbiter) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in Scotland) (or in his absence such applicable deputy) whose decision shall be final and binding); and

30.4.2. the Sellers sell the Sale Shares on the same terms (mutatis mutandis) to the Proposed Purchaser at Completion.

30.5. If any of the shareholders ("the Defaulting Shareholder") fails to comply with the terms of a Compulsory Sale Notice given to him, the provisions of article 28.16 shall apply with the expressions "the Defaulting Shareholder" being substituted for the expression "proposing transferor" where it occurs; and the expression the "Sale Shares" being substituted for the expression "Transfer Shares".

31. TAG-ALONG RIGHTS

31.1. No sale or transfer of any shares ("the Specified Shares") which would result, if made and registered, in a person or persons (and any person or Persons Acting in Concert with him or them) who was not or were not a shareholder or shareholders of the company obtaining Control of the company, shall be made or registered unless, before the transfer is lodged for registration, the proposed transferee or transferees or his or their nominees has or have made a written offer to all the holders of the shares in the capital of the company (which offer shall be stipulated to

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be open for acceptance for a period of not less than 28 days and with adequate security as to the performance of its obligation) to purchase all such shares at the Specified Price as hereinafter defined.

31.2. For the purpose of this Clause 31:-

31.2.1. the expression "Control" shall mean the holding of shares conferring in the aggregate more than 50% of the total voting rights conferred by all the shares in the capital of the company for the time being in issue and conferring the right to vote at all general meetings;

31.2.2. the expression "Persons Acting in Concert" shall mean any person or persons who pursuant to an agreement or understanding (whether formal or informal) actively co-operate with each other through the acquisition by any of them of Shares to obtain control of the company and, without prejudice to the generality of the foregoing, persons who shall for the purposes of this Clause 31.2.2 be deemed to be Persons Acting in Concert with a transferee shall be:-

31.2.2.1. if the transferee is a body corporate, any director of or shareholder in the transferee or any person who in relation to such director or shareholder is a Connected Person;

31.2.2.2. any person who in relation to the transferee is a Connected Person; and

31.2.2.3. if the transferee is a body corporate, any body corporate which in relation to the transferee is a Subsidiary a Holding Company, a subsidiary of a Holding Company, or an Associated Company,

and the expression "Acting in Concert" shall be construed accordingly;

31.2.3. the expression "Associated Company" means a body corporate in which a transferee or any subsidiary of a transferee holds shares conferring the right to 10 per cent or more of the votes which could be cast on a poll at a general meeting of such body corporate and which is not a subsidiary;

31.2.4. the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment; and

31.2.5. the expression "the Specified Price" shall mean a price per share at least equal to the aggregate of:

31.2.5.1. the price per share offered or paid or payable by the proposed transferee or transferees or his or their nominees for the Specified Shares or for any shares in the company acquired by the same transferee or transferees (and any Person or Persons Acting in

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Concert with him or them) in that or any related transaction (whichever is the higher); and

31.2.5.2. an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holder(s) of the Specified Shares (or any such shares as aforesaid) which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares (or any such shares as aforesaid) and in the event of disagreement the calculation of the Specified Price shall be referred to a chartered accountant (acting as expert and not as arbiter) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants of Scotland) whose decision shall be final and binding.

32. Transmission of shares

32.1. If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.

32.2. A transmittee who produces such evidence of entitlement to shares as the directors may properly require:-

32.2.1. may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and

32.2.2. subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.

32.3. But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

33. Exercise of transmittees' rights

33.1. Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.

33.2. If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

33.3. Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

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34. Transmittees bound by prior notices

If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

DIVIDENDS AND OTHER DISTRIBUTIONS

35. Procedure for declaring dividends

35.1. The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

35.2. A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

35.3. No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

35.4. Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

35.5. If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

35.6. The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

35.7. If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

36. Payment of dividends and other distributions

36.1. Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:-

36.1.1. transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;

36.1.2. sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the

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share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;

36.1.3. sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or

36.1.4. any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

36.2. In the articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:-

36.2.1. the holder of the share; or

36.2.2. if the share has two or more joint holders, whichever of them is named first in the register of members; or

36.2.3. if the holder is no longer entitled to the share by reason of death or bankruptcy, or

36.2.4. otherwise by operation of law, the transmittee.

37. No interest on distributions

The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:-

37.1. the terms on which the share was issued, or

37.2. the provisions of another agreement between the holder of that share and the company.

38. Unclaimed distributions

38.1. All dividends or other sums which are:-

38.1.1. payable in respect of shares, and

38.1.2. unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

38.2. The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

38.3. If:-

38.3.1. twelve years have passed from the date on which a dividend or other sum became due for payment, and

38.3.2. the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

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39. Non-cash distributions

39.1. Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

39.2. For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:-

39.2.1. fixing the value of any assets;

39.2.2. paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

39.2.3. vesting any assets in trustees.

40. Waiver of distributions

40.1. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:-

40.1.1. the share has more than one holder, or

40.1.2. more than one person is entitled to the share, whether by reason of the death or

bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

CAPITALISATION OF PROFITS

41. Authority to capitalise and appropriation of capitalised sums

41.1. Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:-

41.1.1. decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and

41.1.2. appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

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41.2. Capitalised sums must be applied:-

41.2.1. on behalf of the persons entitled, and

41.2.2. in the same proportions as a dividend would have been distributed to them.

41.3. Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

41.4. A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.

41.5. Subject to the articles the directors may:-

41.5.1. apply capitalised sums in accordance with articles 41.3 and 41.4 partly in one way and partly in another;

41.5.2. make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and

41.5.3. authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

PART 4

DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

42. Attendance and speaking at general meetings

42.1. A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

42.2. A person is able to exercise the right to vote at a general meeting when:-

42.2.1. that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

42.2.2. that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

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42.3. The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

42.4. In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

42.5. Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

43. Quorum for general meetings

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

44. Chairing general meetings

44.1. If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

44.2. If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:-

44.2.1. the directors present, or

44.2.2. (if no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

44.3. The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

45. Attendance and speaking by directors and non-shareholders

45.1. Directors may attend and speak at general meetings, whether or not they are shareholders.

45.2. The chairman of the meeting may permit other persons who are not:-

45.2.1. shareholders of the company, or

45.2.2. otherwise entitled to exercise the rights of shareholders in relation to general meetings,

to attend and speak at a general meeting.

46. Adjournment

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46.1. If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

46.2. The chairman of the meeting may adjourn a general meeting at which a quorum is present if:-

46.2.1. the meeting consents to an adjournment, or

46.2.2. it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

46.3. The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

46.4. When adjourning a general meeting, the chairman of the meeting must:-

46.4.1. either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

46.4.2. have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

46.5. If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):-

46.5.1. to the same persons to whom notice of the company's general meetings is required to be given, and

46.5.2. containing the same information which such notice is required to contain.

46.6. No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

47. Voting: general

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

48. Errors and disputes

48.1. No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

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48.2. Any such objection must be referred to the chairman of the meeting, whose decision is final.

49. Poll votes

49.1. A poll on a resolution may be demanded:-

49.1.1. in advance of the general meeting where it is to be put to the vote, or

49.1.2. at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

49.2. A poll may be demanded by:-

49.2.1. the chairman of the meeting;

49.2.2. the directors;

49.2.3. two or more persons having the right to vote on the resolution; or

49.2.4. a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

49.3. A demand for a poll may be withdrawn if:-

49.3.1. the poll has not yet been taken, and

49.3.2. the chairman of the meeting consents to the withdrawal.

49.4. Polls must be taken immediately and in such manner as the chairman of the meeting directs.

50. Content of proxy notices

50.1. Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:-

50.1.1. states the name and address of the shareholder appointing the proxy;

50.1.2. identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;

50.1.3. is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

50.1.4. is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

50.2. The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

50.3. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

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50.4. Unless a proxy notice indicates otherwise, it must be treated as:-

50.4.1. allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

50.4.2. appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

51. Delivery of proxy notices

51.1. A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

51.2. An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

51.3. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

51.4. If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

52. Amendments to resolutions

52.1. An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:-

52.1.1. notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

52.1.2. the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

52.2. A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:-

52.2.1. the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

52.2.2. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

52.3. If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

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ADMINISTRATIVE ARRANGEMENTS

53. Means of communication to be used

53.1. Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

53.2. Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

53.3. A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

54. Company seals

54.1. Any common seal may only be used by the authority of the directors.

54.2. The directors may decide by what means and in what form any common seal is to be used.

54.3. Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

54.4. For the purposes of this article, an authorised person is:-

54.4.1. any director of the company;

54.4.2. the company secretary (if any); or

54.4.3. any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

55. No right to inspect accounts and other records

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

56. Provision for employees on cessation of business

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation

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or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

57. Indemnity

57.1. Subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against:-

57.1.1. any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company,

57.1.2. any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

57.1.3. any other liability incurred by that director as an officer of the company or an associated company.

57.2. This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

57.3. In this article:-

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

57.3.2. a "relevant director" means any director or former director of the company or an associated company.

58. Insurance

58.1. The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

58.2. In this article:-

58.2.1. a "relevant director" means any director or former director of the company or an associated company,

58.2.2. a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

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

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