

THE COMPANIES ACTS 1985 AND 1989
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
SUNDIAL PROPERTIES (GILMERTON) LIMITED
(company number SC68924)
(adopted by special resolution passed on 21 August 2012)

1. Preliminary

- 1.1 The regulations (the "Regulations") contained or incorporated in Table A as set out in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendments) Regulations 1985 ("Table A") shall (insofar as they are not inconsistent with the provisions of or excluded or varied by the articles expressly set out in this document (the "Articles")) apply to the company to the exclusion of all other regulations or articles of association and the Regulations (save insofar as they are inconsistent with or are excluded or varied by these Articles) and these Articles shall be the articles of association of the company. Words and expressions to which a particular meaning is ascribed in or by virtue of Table A shall, unless the context otherwise requires, bear the same respective meanings in these Articles. Further references to "the Act" shall be references to the Companies Act 1985 as amended as at the date hereof.
- 1.2 The following Regulations shall not apply to the company: 3, 12, 14, 16, 23 to 26, 29 to 31, 40 to 57, 59 to 62, 64, 70 to 80, 84, 87 to 98, 111, 112 and 115.

2. Share Capital

- 2.1 The share capital of the company at the date of adoption of these articles is £71,380 divided into 71,000 ordinary shares of £1.00 each and 380 B ordinary shares of £1.00 each.
- 2.2 Sections 89(1) and 90(1) to (6) of the Act shall not apply to any allotment of equity securities (as defined in the Act) of the company.
- 2.3 Except as required by law no person shall be recognised by the company as holding any share upon any trust even when the company shall have express notice of the same, and (except as otherwise provided by these Articles or by law) the company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder.
- 2.4 Regulation 6 of Table A shall be amended by the substitution of the words "signed on behalf of the Company" for the words "be sealed with the seal" where they appear therein.

3. Issues of Shares and Loan Stock

- 3.1. Unless otherwise agreed by all the members for the time being of the company, unissued shares in the capital of the company from time to time shall be issued only to the holders of the issued shares of the Company in proportion to the number of shares held by them respectively, unless issued as a result of conversion of any Loan Stock issued in terms of Article 3.2.
- 3.2. The Company shall in general meeting have power to issue Loan Stock on such terms as the meeting determines by Special Resolution passed by the holders of Ordinary Shares.

4. Transfer and Transmission

- 4.1 The instrument of transfer of shares shall be in the usual form prescribed from time to time or, if none is so prescribed, then in such form as the directors may determine, and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.
- 4.2 Subject to clauses 4.4 and 4.5, unless otherwise agreed in writing by all the members for the time being of the company, no share nor any interest in any share shall be transferred to any person.
- 4.3 Subject to clauses 4.4, 4.5 and 4.6, except in the case of a transfer agreed to in writing by all the members for the time being, no transfer of any share shall be registered by the directors.
- 4.4 Notwithstanding any other provisions of these articles a transfer of any shares in the Company held by Octant Investments Limited (SC336540) (the "Octant Shares") or any subsidiary of Octant and any company of which Octant is a subsidiary (the "Octant Shareholder Group") may be made between the member of the Octant Shareholder Group holding such shares and any other member of the Octant Shareholder Group without restriction as to price or otherwise and any such transfer shall be registered by the directors. If any such transferee ceases to be a member of the Octant Shareholder Group it shall forthwith transfer the relevant shares to a member of the Octant Shareholder Group.
- 4.5 Notwithstanding any other provisions of these articles a transfer of any shares in the Company held by Sundial Holdings (Gilmerton) Limited (SC148685) (the "Sundial Shares"), or any subsidiary of the Sundial Shareholder and any company of which the Sundial is a subsidiary (the "Sundial Shareholder Group") may be made between the member of the Sundial Shareholder Group holding such shares and any other member in the Sundial Shareholder Group without restriction as to price or otherwise and any such transfer shall be registered by the directors. If any such transferee ceases to be a member of the Sundial Shareholder Group it shall

forthwith transfer the relevant shares to a member of the Sundial Shareholder Group.

- 4.6 The B Ordinary shares may be transferred freely and the directors shall register any such transfer.

5 Variation of Rights

- 5.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the company is a going concern or during or in contemplation of a winding-up) with the unanimous consent in writing of the holders of the issued shares of that class.

- 5.2. Without prejudice to the generality of Article 5.1, the special rights attaching to the B ordinary shares shall be deemed to be varied by the occurrence of the following events:

- 5.2.1. the alteration of the issued share capital of the company or creation of any securities or

- 5.2.2 the entering into of a voluntary winding-up;

6. RIGHTS OF SHARES

The Ordinary Shares and the 'B' Ordinary Shares shall entitle the holders thereof to the following rights:

- 6.1 as regards dividend:

- (a) Subject to the provisions of the Act, the Company may apply any profits which the Directors resolve to distribute in any financial year in paying to the holders of the Ordinary Shares in respect of their holdings of such shares *pari passu* and *pro rata* to the number of shares held by each of them.

- (b) The holders of the B Ordinary Shares shall not be entitled to any distributions.

- 6.2 as regards capital:

- (a) Subject to 6.2(b) below, on a return of assets on a liquidation, reduction of capital or otherwise the holders of the Ordinary Shares shall be entitled (in proportion to the number of Ordinary Shares held by each of them) to share equally in the surplus assets of the Company remaining after payment of its liabilities. The holders of the B ordinary Shares shall not be entitled to any such return save as set out in 6.2(b) below.
- (b) On a return of assets on a liquidation, reduction of capital or otherwise occurring after 31 December 2025 the holders of the Ordinary Shares and the B Ordinary Shares shall be entitled (in proportion to the number of Ordinary Shares and B Ordinary Shares held by each of them, irrespective of class) to share equally in the surplus assets of the Company remaining after payment of its liabilities.

6.3 as regards voting in general meetings:

- (a) On a show of hands every holder of Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll every holder of Ordinary Shares so present shall have one vote for each Ordinary Share held by him.
- (b) Each holder of B Ordinary Shares shall be entitled to receive notice of, and to attend but not vote at, general meetings of the Company.

7. Drag Along Rights

- 7.1 If the holders of 70% or more of the Ordinary Shares in issue for the time being ("Selling Shareholders") wish to transfer all of their interest in such Shares ("Seller's Shares") to a bona fide arm's length purchase ("Proposed Buyer"), the Selling Shareholders may require all other Shareholders ("Called Shareholders") to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this clause ("Drag Along Option").
- 7.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("Drag Along Notice") at any time before the transfer of the Seller's Shares to the Proposed Buyer. The Drag Along Notice shall specify:

- (a) That the Called Shareholders are required to transfer all their Shares ("Called Shares") pursuant to this Article 7;
 - (b) The person to whom the Called Shares are to be transferred; and
 - (c) The proposed date of the transfer.
- 7.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Seller's Shares to the Proposed Buyer within 20 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 7.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 7.
- 7.5 The rights of pre-emption set out in the Articles shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served.

8. Directors

- 8.1 Unless and until the company in general meeting shall otherwise determine, the number of directors shall not be less than 2 and not more than 6.
- 8.2 Notwithstanding any other provision in these articles, 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 by ordinary resolution.

9. Powers of Directors

- 9.1 Subject to the provisions of the Act, the memorandum of association of the company and these Articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or these articles of association and no such direction shall invalidate any prior act of the directors

which would have been valid if that alteration had not been made or that direction had not been given. A meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

- 9.2 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.
- 9.3 The directors may delegate any of their powers to any committee. No such delegation shall be made except on the basis that the provisions of Regulation 85 of Table A and Article 9 apply in their entirety to the proceedings of the committee. A majority of the directors may at any time by notice in writing signed by them and left at the office annul any such delegation with immediate effect but no person dealing in good faith and without notice of such annulment shall be affected thereby.
- 9.4 The directors may appoint one or more of their number to the office of managing director or to any other executive office of the company and subject to the provisions of the Act, any such appointment may be made for such term, at such remuneration and on such other conditions as the directors think fit but shall be deemed to cease forthwith upon the managing director or executive officer ceasing to be a director of the company.
10. Proceedings of Directors
- 10.1 The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit but shall meet within three months of the previous meeting of the directors at the registered office of the company or such other place as shall be agreed by the Board. Unless all directors or their alternates (if any) indicate their willingness to accept shorter notice of a meeting of directors, at least seven days' prior notice of the time and place of each

meeting of directors shall be given. Each director (or his alternate) shall have one vote each. In the case of an equality of votes the Chairman of the meeting (whether of the board or of a committee) shall not have a second or casting vote.

- 10.2 Notwithstanding the provisions contained in these articles of association a director may, and the secretary at the request of a director shall, at any time, call a meeting of the directors. Notice of every meeting of the directors shall be given to every director and to his alternate (if any).
- 10.3 Every notice of a meeting of the directors required to be given under these articles of association may be served personally or sent by prepaid recorded delivery post, telex or telemessage to the address for the time being supplied for the purpose to the secretary of the company by the person entitled to receive the same.
- 10.4 The quorum necessary for the transaction of the business of the directors or any committee thereof shall be two directors. An alternate director, who is not himself a director may, if his appointor is not present, be counted towards the quorum.
- 10.5 All acts done by a meeting of directors shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 10.6 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors shall be as valid and effectual as if it had been passed at a meeting of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

10.7 Any director or alternate director may validly participate in a meeting of the Board or a committee of the Board through the medium of telephone conference or video conference or similar forms of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purposes of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that fewer than two directors or alternate directors are physically present at the same place. 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 is.

10.8 A director may vote at a meeting of directors or of a committee of directors (and may be counted for the purposes of determining whether a quorum is present at any such meeting) on any resolution concerning any matter, contract or arrangement, or proposed contract or arrangement in which he has, directly or indirectly, an interest which conflicts or may conflict with the interests of the Company provided that at or prior to such meeting he complies in respect of such matter with the disclosure provisions of section 317 of the Act and declares the nature of his interest. Compliance with section 317 of the Act shall be sufficient disclosure by a director for the purpose of Regulations 85 and 86.

11 Notices

11.1 Any notices to be given to or by any person pursuant to the articles of association shall be in writing.

11.2 The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company. A member may give any notice to the company by post in a prepaid envelope addressed to the company (and marked "for the attention of the Company Secretary") to the registered office.

11.3 A member present, either in person or by proxy, at any meeting of the company or of the holders of any class of shares in the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

11.4 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.

11.5 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

11.6 If the recipient member is a limited company then all written notices shall be addressed to a director or the company secretary of the recipient member.

12 Indemnity

12.1 Subject to the provisions of, and so far as may be permitted by, the Act, every director, auditor, secretary or other officer of the company shall be entitled to be indemnified by the company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in the execution of the duties of his office or otherwise in relation thereto, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the company in the execution of the duties of his office or in relation to such office.

12.2 The directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or auditors of the company, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the affairs of the company.

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