

for info only



NEWCO (788) LIMITED

Registered No. SC266882

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

WRITTEN RECORD OF SPECIAL RESOLUTION

(Passed 14<sup>th</sup> May 2004)

At an Extraordinary General Meeting of **NEWCO (788) LIMITED**, duly convened and held at 39 Castle Street, Edinburgh on 14<sup>th</sup> May 2004, the following Resolutions were passed, such resolutions to have effect as either Ordinary or Special Resolutions as indicated:-

ORDINARY RESOLUTIONS

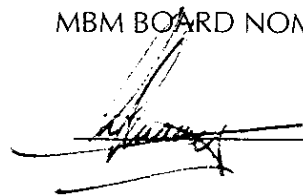
- a) THAT the authorised share capital of the Company be increased to £2,500 divided into 2,500 Ordinary shares of £1.00 each ranking pari passu with the existing Ordinary shares in the capital of the Company;
- b) THAT pursuant to Section 80 of the Companies Act 1985 the Directors of the Company be authorised to issue and allot the unissued share capital of the Company to such persons as they may determine during the period of six months from the date this authority is given;
- c) THAT the Directors be authorised to adopt and implement an Employee Share Option Scheme on such terms as they in their discretion shall see fit, and that the total number of shares to be issued pursuant to the Employee Share Option Scheme does not exceed 10% of the Company's share capital so constituted from time to time;
- d) THAT pursuant to Section 80 of the Companies Act 1985 the Directors of the Company be generally and unconditionally authorised to issue and allot up to 10% of the Company's unissued share capital, as constituted from time to time, pursuant to the Employee Share Option Scheme authorised by resolution c) above in the period of five years from the date this authority is given, such authority to be in addition to that granted by resolution b) above;

SPECIAL RESOLUTIONS

- e) THAT pursuant to Section 95(1) of the Companies Act 1985 any and all rights of pre-emption, whether in terms of the Company's Articles of Association or otherwise, exercisable in relation to the issue and allotment of shares in accordance with resolutions b), c) and d) above be and are hereby waived;

- f) THAT the name of the Company be changed to **"Virtual InterConnect Systems Limited"**; and
- g) THAT the document attached and signed by the Chairman for verification purposes be adopted as the new Articles of Association in place of and to the exclusion of all other Articles of Association.

FOR AND ON BEHALF OF  
MBM BOARD NOMINEES LIMITED

  
\_\_\_\_\_  
Director

For and on behalf of  
MBM Board Nominees Limited

  
~~Director and only authorised attorney~~

Director

## ARTICLES of ASSOCIATION

### VIRTUAL INTERCONNECT SYSTEMS LIMITED

(Registered Number SC266882)

(ADOPTED 14<sup>th</sup> MAY 2004)



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ARTICLES OF ASSOCIATION  
of  
**VIRTUAL INTERCONNECT SYSTEMS LIMITED**

(Registered Number SC266882)

A PRIVATE LIMITED COMPANY

(ADOPTED 14<sup>th</sup> MAY 2004)

**DEFINITIONS AND INTERPRETATION**

**1. In these Articles:**

- 1.1 The words and expressions below shall have the following meanings unless the context requires otherwise:

"the Act"	means the Companies Act 1985;
"Articles"	means these articles of association constituted by the following regulations together with any duly authorised amendments or alterations from time to time, and the term "Article" shall be a reference to a regulation contained in these Articles;
"Acting in Concert"	shall have the meaning given to it in the City Code on Takeovers and Mergers from time to time;
"Authorised Amount"	means £2,500 divided into 2,500 Ordinary shares of £1.00 each;
"Company"	means Virtual InterConnect Systems Limited, a company incorporated under the Companies Acts 1985, registered in Scotland under number SC266882 and having its registered office at 39 Castle Street, Edinburgh, EH2 3BH;

"Control Percentage"	means any percentage exceeding 50%;
"Director"	means a director of the Company or any alternate director duly appointed in accordance with these Articles;
"Group Member"	means any holding company, subsidiary company or wholly-owned subsidiary company as defined in terms of section 736 of the Act or a parent company as defined in terms of section 258 of the Act, pertaining to any shareholder of the Company;
"Member"	means a person registered as a member in the register of members of the Company;
"Dr Gilhooley"	means Dr Bernard Gilhooley of 12 Station Drive, Hurlford, Kilmarnock, KA1 5AU;
"Qualifying Majority"	means 50%;
"Regulation"	means a regulation contained in Table A;
"share"	means any share forming part of the share capital of the Company;
"Table A"	means Table A of the Companies (Tables A to F) Regulations 1985, SI1985/805; and
"Valuer"	means the accountants of the Company.

- 1.2 Words importing the singular include the plural and vice versa.
- 1.3 Words importing a particular gender include any gender.
- 1.4 References to a "person" include any natural person, or any legal person, body or organisation, incorporated or unincorporated.
- 1.5 The headings in these Articles are for convenience only and shall not affect the construction of these Articles.
- 1.6 Words and expressions defined in the Act shall bear the same meanings in these Articles, excluding any statutory modification to those defined terms not in force as at the date of adoption of these Articles.
- 1.7 Unless provision is made to the contrary, references to any statute or statutory provision includes a reference to:

1.7.1 that statute or statutory provision as from time to time amended, extended, re-enacted or consolidated whether before or after the date of adoption of these Articles; and

1.7.2 all statutory instruments or orders made pursuant to it.

#### **TABLE A**

2. The Regulations contained in Table A shall apply to the Company except in so far as they are excluded or varied by or are inconsistent with these Articles.
3. Regulations 5, 8, 24, 26, 41, 59, 64, 73 to 80 (inclusive), 89, 90, 94 to 97 (inclusive) and 101 shall not apply to the Company.
4. The following amendments shall be made to the Regulations in so far as they apply to the Company:
  - 4.1 in Regulation 6, by the deletion of the phrase: "sealed with the seal" in the second sentence, and by the substitution, in its place, of the phrase: "executed in accordance with the Act or the Requirements of Writing (Scotland) Act 1995";
  - 4.2 in Regulation 46, by the deletion of the second sentence which comprises the whole of the remainder of that Regulation and by the substitution, in its place, of the following sentence:
 

"A poll may be demanded at any general meeting or at any meeting of a class of members by the chairman or by any member entitled to vote at that meeting, present in person, or by any member's proxy or attorney, or if a corporation, by its duly authorised representative"; and
  - 4.3 in Regulation 112, by the deletion of the first sentence and by the substitution, in its place, of the following sentences:
 

"Any notice required or permitted to be given by the Company to a member shall be sufficiently given to that member if sent in a legible form by facsimile transmission ("fax"), first class or express registered post ("post"), Email, or by personal delivery, including courier delivery, to the registered address of the member.
  - 4.4 in Regulation 115, by the deletion of the second sentence and by the substitution, in its place, of the following sentences:
 

"A notice shall be deemed to have been received: (i) in the case of post, thirty-six hours from midnight (00.00 hrs) on the date of posting, evidenced by the relevant proof of posting; (ii) in the case of personal delivery, thirty minutes after the time of delivery, evidenced, where appropriate, by the courier's receipt duly counter-signed for or on behalf of the addressee and (iii) in the case of fax or Email one hour after the

date and time of despatch. Where the deemed day of receipt of a notice is not a "Working Day" (which means any day from Monday to Friday inclusive which is not a local, public or statutory holiday) or where deemed receipt occurs at the place of delivery on a Working Day but after 1800hrs, that notice shall be deemed to have been received at 0930hrs on the next Working Day."

## **SHARE CAPITAL**

5. The authorised share capital of the Company as at the date of adoption of these Articles consists of the Authorised Amount.
6. The Company may at its sole discretion recognise and record the holding of a share by a person on trust, or in the names of trustees, but unless specifically recognised by the Company as such a holding, the Company shall not be bound by, or obliged to recognise, any interest in any share except for the absolute rights of the holder named in the register of members.
7. Subject to Article 8, any original shares of the Company for the time being unissued and any new shares from time to time to be created shall be offered to existing members in strict proportion to the number of shares held by them at that time. The offer shall be made by notice to each member specifying the number of shares offered and limiting a period (not being less than 21 days) within which the offer if not accepted by notice to the Company shall be deemed to be declined. Following expiry of such period or receipt of notice of the acceptance or refusal of every offer made hereunder the Directors may dispose of any shares not accepted by the members in such manner as they think most beneficial to the Company provided that such shares shall not be disposed of on terms which are more favourable to the allottee than the terms on which they were offered to the members hereunder.
8. Article 7 shall not apply to any shares which the Company may at any time by special resolution declare shall not be subject to the provisions of Article 7.
9. Pursuant to Section 91 of the Act, Sub-Section (1) of Section 89 and Sub-Sections (1) to (6) inclusive of Section 90 of the Act shall be excluded from applying to the Company.

## **LIEN**

10. The Company shall have a first and paramount lien on every share for all moneys, whether presently payable or not, called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares registered in the name of any person, whether solely or jointly with others, for all moneys owing to the Company from that person, or that person's estate, either alone or jointly with any other person, whether as a member, or not, and whether such moneys are presently payable or not. The Directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article.

## **TRANSFER OF SHARES**

11. 11.1 Save in respect of a transfer complying with one or more of the conditions specified in Article 11.5, no transfer of any share shall be registered unless it is first approved by the Directors.
- 11.2 The Directors may refuse to register the transfer of a share:
  - 11.2.1 which is not fully paid to a person of whom they do not approve; and/or
  - 11.2.2 upon which the Company has a lien.
- 11.3 The Directors shall refuse to register the transfer of a share except a transfer complying with one or more of the conditions specified in Article 11.5.
- 11.4 Subject only to:
  - 11.4.1 Articles 11.2 and 14; and
  - 11.4.2 the presentation of such evidence as the Directors may reasonably require to show the right of a transferor to make the transfer;
 a transfer complying with one or more of the conditions specified in Article 11.5 shall be registered by the Directors.
- 11.5 The following are the conditions specified in Articles 11.1, 11.3 and 11.4:
  - 11.5.1 a transfer of a share made with the prior written consent of all the members of the Company for the time being, other than the transferor;
  - 11.5.2 a transfer of a share pursuant to Article 12; or
  - 11.5.3 a transfer of a share pursuant to Article 13.
12. 12.1 Except in the case of a transfer expressly authorised by Article 11.5 no person shall be entitled to dispose of any interest in any shares without first offering such shares for transfer to the holders of other shares in the Company. The offer shall be made by the proposing transferor(s) (the "Transferor") by notice in writing to the Company (a "Transfer Notice") and may be in respect of all or some only of the shares held by the Transferor (the "Offer Shares"); provided that a Deemed Transfer Notice (as defined in Article 13) must be in respect of all shares held by the Transferor.



- 12.2 The Transfer Notice shall specify the Offer Shares and the price at which they are offered (the "Suggested Price") and shall constitute the Directors as the agents of the Transferor for the sale of the Offer Shares (a) to other holders of shares in the Company and, failing which, (b) to the Company, in accordance with this Article 12. A Transfer Notice, other than a Deemed Transfer Notice (as defined in Article 13), may contain a provision that unless all the Offer Shares are sold under this Article, none shall be sold. A Transfer Notice may not be revoked unless (i) it contains such a provision or (ii) all the members of the Company (other than the Transferor) agree in writing that it may be revoked.
- 12.3 Within 7 days after a Transfer Notice is received by the Company, the Directors shall give notice to all the holders of shares in the Company (other than the Transferor) of the number and description of the Offer Shares and the Suggested Price, inviting each such holder to notify the Company within 21 days (a) if he requires the Offer Shares to be valued (such notification being a "Valuation Notice") and (b) if he does not so require whether he is willing to purchase any and, if so, what maximum number, of Offer Shares at the Suggested Price.
- 12.4 If on or before the expiry of the 21 day period referred to in Article 12.3 the Directors shall receive a Valuation Notice requesting a valuation then the Directors shall instruct the Valuer to determine the fair value of the Offer Shares in accordance with Article 12.5, acting as an expert and not an arbiter, and to produce a certificate stating such value (a "Certificate of Fair Value") within 14 days of being instructed to do so.
- 12.5 The fair value of the Offer Shares ("the Fair Value") shall be based on the net asset value of the company as shown in the monthly management accounts of the Company for the month immediately preceding the date of the Transfer Notice prepared on the same basis and making the same adjustments as would normally be made in the annual accounts of the Company. The Fair Value of each Offer Share shall be calculated by dividing the Fair Value of all the Offer Shares by the total number of the Offer Shares.
- 12.6 Within 7 days of receipt by the Directors of the Certificate of Fair Value, the Directors shall send a copy thereof to the Transferor; declaring that (i) the Transferor (provided the Transferor is not a Compulsory Transferor, as defined in Article 13) shall be entitled to revoke the Transfer Notice by notice in writing to the Directors within 7 days from the date of service upon the Transferor of such copy; and (ii) where the Transferor is a Compulsory Transferor (as defined in Article 13), the Compulsory Transferor shall be entitled within 7 days from the date of service upon the Compulsory Transferor of such copy to notify the Company that the Compulsory Transferor objects to the calculation of the Fair Value whereupon the Company shall immediately refer the matter to the President for the time being of the Institute of Chartered Accountants of

Scotland with a request to nominate forthwith an independent valuer to calculate the Fair Value within 14 days of being instructed to do so (in accordance with Article 12.5) and the decision of such independently nominated valuer shall be final and binding on all parties concerned and the costs of the said valuer shall be borne by the Compulsory Transferor alone.

- 12.7 The cost of obtaining a Certificate of Fair Value shall be borne by the Company, unless (i) the Transferor revokes the Transfer Notice in accordance with Article 12.6 in which case the Transferor shall bear such cost or (ii) the Compulsory Transferor notifies the Company that the Compulsory Transferor objects to the calculation of the Fair Value in accordance with Article 12.6 in which case the Compulsory Transferor shall bear such cost.
- 12.8 If the Transfer Notice is not revoked by the Transferor in accordance with Article 12.6 and following any decision by an independently nominated valuer appointed in accordance with Article 12.6, the Directors shall give notice to all the holders of shares in the Company (other than the Transferor) of the Fair Value as calculated by such independently nominated valuer, or failing which, the lower of (i) the Suggested Price and (ii) the Fair Value as determined by the Valuer (the "Purchase Price"), and the number and description of the Offer Shares, inviting each such holder to notify the Company within 14 days whether he is willing to purchase any and, if so, what maximum number, of Offer Shares at the Purchase Price.
- 12.9 On the expiry of the 21 day period referred to in Article 12.3 or if a Certificate of Fair Value has been obtained the expiry of the 14 day period referred to in Article 12.8, the Directors shall allocate the Offer Shares to those members who have applied to purchase shares, and in the event of competition amongst members such allocation shall be in accordance with Article 12.10. If the Transfer Notice contains a provision that, unless all the Offer Shares are sold under this Article, none shall be sold, no allocation of the Offer Shares shall be made under this sub-Article unless as a result of such allocation combined with the purchase of shares by the Company pursuant to Article 12.14.1 (if any), all the Offer Shares will be sold.
- 12.10 If the aggregate number of shares for which members have applied exceeds the number available, priority shall be given to those members holding shares of the same class as the Offer Shares, and the allocation shall be made so far as practicable in proportion to the nominal amount of the share capital of that class held by each of those members but shall not in the case of any member exceed the number of Offer Shares for which he has applied. Thereafter, any Offer Shares remaining unallocated shall be allocated amongst the holders of other classes of shares so far as practicable in proportion to the nominal amount of share capital of the

Company held by each of those members but shall not in the case of any member exceed the number of Offer Shares for which he has applied.

12.11 On the allocation being made, the Directors shall give details of the allocation in writing to the Transferor and to each member who has stated his willingness to purchase and, on the seventh day after such details are given, the members to whom the allocation has been made shall be bound to pay the Purchase Price for, and to accept a transfer of, the Offer Shares allocated to them respectively and the Transferor shall be bound, on payment of the Purchase Price, to transfer the Offer Shares to the respective purchasers.

12.12 If in any case a Transferor after having become bound to transfer any shares to a purchaser, shall make default in transferring the shares, the Directors may authorise any Director to execute on behalf of and as attorney for the Transferor any necessary transfers and may receive the Purchase Price and shall thereupon cause the name of the purchaser to be entered in the register as the holder of the shares and hold the Purchase Price in trust for the Transferor. The receipt of the Directors for the Purchase Price shall be a good discharge to the purchaser and after the name of the purchaser has been entered in the register of members of the Company the validity of the transfer to the purchaser may not be questioned by the Transferor.

12.13 Where more than one member has stated his willingness to purchase Offer Shares and through no default of the Transferor any purchase is not duly completed, the Directors shall forthwith notify all the other members who have stated their willingness to purchase Offer Shares and if, within seven days of such notice being given, those other members shall not between them duly complete the purchase of the Offer Shares in respect of which there has been default in completion, the provisions of Article 12.14 shall apply.

#### 12.14

12.14.1 Following the expiry of (i) the 21 day period referred to in Article 12.3 or (ii) if a Certificate of Fair Value has been obtained, the expiry of the 14 day period referred to in Article 12.8 (the "Relevant Expiry Date") any of the Offer Shares have not been allocated under Article 12.9 or 12.10, the Directors may within 7 days of the Relevant Expiry Date determine that the Company shall attempt to purchase some or all of the Offer Shares itself at the Purchase Price.

12.14.2 The Directors shall have a period of 60 days from the date of any such determination to (i) obtain from the Transferor any necessary consents and authorities including any

required under the Act for any such purchase by the Company and (ii) to complete any such purchase.

12.14.3 In the event that a Transferor either (i) refuses to sign any document necessary to enable the purchase of some or all of the Offer Shares by the Company or (ii) fails to respond to the Directors within 14 days of any such request (in accordance with Article 12.14.2), the Directors may authorise any Director to execute on behalf of and as attorney for the Transferor any such document and may receive the Purchase Price and hold the Purchase Price in trust for the Transferor; provided that if the Transfer Notice contains a provision that, unless all the Offer Shares are sold under this Article, none shall be sold, the Directors may only so authorise any Director if all the Offer Shares will as a result be sold.

12.14.4 The receipt of the Directors for the Purchase Price shall be a good discharge to the Company and after the Offer Shares purchased by the Company have been cancelled, the Transferor may not question the validity of the purchase.

12.15 If either (i) the Directors do not (a) by the close of business on the last day of the 7 day period referred to in Article 12.14.1, make a determination that the Company shall attempt to purchase some or all of the Offer Shares at the Purchase Price; or (ii) having made such a determination the Company shall not complete a purchase of the Offer Shares by (b) the close of business on the last day of the 60 day period referred to in Article 12.14.2 ((a) or (b) (as the case may be) being known as the "Buy-Back Expiry Date"), the Transferor may at any time within a period of 30 days from the occurrence of the relevant Buy-Back Expiry Date, transfer the Offer Shares not allocated to other members of the Company to any person at the Purchase Price provided that if the Transfer Notice contains a provision that, unless all the Offer Shares are sold under this Article, none shall be sold, the Transferor shall be entitled to transfer all but not some only of the Offer Shares.

12.16 The holders of any shares which are the subject of a Transfer Notice, Deemed Transfer Notice or Compulsory Transfer shall be entitled to receive notice of and to attend general meetings of the Company but shall have no right to vote thereat in respect of the Shares which are the subject of a Transfer Notice, Deemed Transfer Notice or Compulsory Transfer.

#### **EMPLOYEE ETC SHAREHOLDERS**

13. Subject to Article 13.5, the following provisions shall apply where a member who is an employee, a consultant, a director or an officer of the

Company ("a Compulsory Transferor") ceases to be such an employee, a consultant, a director or an officer for any reason, or gives or receives notice of such cessation:-

- 13.1 a Transfer Notice ("a Deemed Transfer Notice") shall, unless the Directors in their absolute discretion decide otherwise, be deemed to have been issued pursuant to this Article 13 on the earlier of the date of any such cessation and the date of giving or receiving of notice of such cessation for each class of shares and in respect of all of the shares held by that member or beneficially owned or controlled by that member ("the Deemed Transfer Notice Date");
- 13.2 for the purpose of the Deemed Transfer Notice the Suggested Price shall be the Fair Value as calculated in accordance with Article 12.5;
- 13.3 the Directors shall immediately instruct the Valuer to determine the Fair Value, acting as an expert and not an arbiter, and to produce a certificate stating such value (a "Certificate of Fair Value") and Articles 12.6 to 12.14 and Article 12.16 shall then apply; and
- 13.4 The price to be received for the sale of the Offer Shares by the Compulsory Transferor in accordance with the provisions of this Article 13 shall be allocated to the Compulsory Transferor in proportion to the number of Offer Shares held by the Compulsory Transferor.
- 13.5 Article 13.1 shall not apply to Dr Gilhooley.

#### **LIMITATION ON CHANGE OF CONTROL**

- 14. Notwithstanding any other Article, no sale or transfer (other than a sale or transfer permitted by Articles 11.5.1 or 11.5.3) of any shares ("the Specified Shares") to any person not being a member of the Company as at the date of adoption of these Articles which would result if made and registered in that person taken together with any persons Acting in Concert with that person obtaining an interest in the Control Percentage or more 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 attend and vote at all General Meetings shall be made or registered without the previous written consent of all of the members of the Company (other than the Transferor) unless before the transfer is lodged for registration the proposed transferee or his nominees makes an offer (stipulated to be open for acceptance for at least 28 days) to such other members to purchase all the other shares at the Specified Price (as defined in Article 15). A member who fails to accept any such offer within the period limited for acceptance shall be deemed to have rejected it.

15. In Article 14, the expression "the Specified Price" shall mean a cash price per share being not less than the Fair Value and at least pari passu to the value of the consideration offered by the proposed transferee or transferees or any third party (as the case may be) or his or their nominees for the Specified Shares to the holder(s) thereof (and/or any member of the same group (as defined below) of the holder(s) thereof) together with 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 member of the same group of the said holder(s) which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the consideration for the Specified Shares including, without limitation, any increase in salary, any bonus or termination payment. The Specified Price in respect of a particular share shall take into account any differences in class rights between it and any other share including, without limitation, any Specified Share. In the event of a disagreement the calculation of the Specified Price shall be referred to the Valuer (acting as expert and not as arbiter and whose decision shall be final and binding) nominated by and acting at the expense of all the members of the Company (in proportion to their respective shareholdings). The expression "member of the same group" means a company which is for the time being a holding company of which the transferor company is a subsidiary or a subsidiary of the transferor company or of any holding company of which the transferor company is a subsidiary.

#### **SALE BY QUALIFYING MAJORITY**

16. Notwithstanding any other Article, where any person or persons (an "Offeror") makes a Qualifying Offer (as hereinafter defined), the Majority Members (as hereinafter defined) may by notice in writing to the other members of the Company (the "Minority Members") require the Minority Members to forthwith accept such Qualifying Offer. In the event that any Minority Member fails to accept such Qualifying Offer or having accepted such Qualifying Offer fails to execute and deliver any of the documents required to effect any transfer of shares pursuant thereto, such Minority Member shall be deemed to have appointed the Directors to be his agents and attorneys for the purposes of accepting such Qualifying Offer and/or as the case may be executing and delivering any such documents. The provisions of Article 12.13 shall have effect as if such Minority Member was the Transferor and the Offeror was the purchaser.

For the purposes of this Article:-

"Majority Members" means members, holding shares conferring in aggregate more than the Qualifying Majority 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 attend and vote at all General Meetings;

"Qualifying Offer" means an offer which:

- (i) is made on identical terms to all members; and
- (ii) specifies a price which is not less than the Fair Value of each share; and
- (iii) is certified as complying with conditions (i) and (ii) above by the Valuer (acting as expert and not as arbiter and whose decision shall be final and binding) nominated by and acting at the expense of all the members of the Company (in proportion to their respective shareholdings).

In determining whether an offer satisfies condition (i) above such expert shall take into account:

- (a) any differences in class rights between shares; and
- (b) any consideration (in cash or otherwise) received or receivable by any member which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable to that member including, without limitation, any increase in salary, any bonus or termination payment.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 17. *If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting, if convened on the requisition of members, shall be dissolved and in any other case it shall stand adjourned to such day and at such time and place as the Directors determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.*
- 18. Where the Company has only a single member, the quorum shall be one.
- 19. On a show of hands or on a poll, votes may be given either personally or by proxy, or if a corporation, by its duly authorised representative.

#### **NUMBER OF DIRECTORS**

- 20. Unless otherwise determined by ordinary resolution of the Company, the number of Directors shall not be subject to any maximum and the minimum number of directors shall be one.
- 21. A Director shall not be required to hold any share in the Company in order to qualify for office as a Director. A Director, whether or not the Director holds any share in the Company, shall be entitled to attend and speak at any general meeting, or any meeting of any class, of the members of the Company.

### **ALTERNATE DIRECTORS**

22. Where an alternate Director is also a Director, or acts as an alternate Director for more than one Director, such alternate Director shall have one vote for every Director represented by that Director in addition to that Director's own vote.
23. Where two or more Directors are required to constitute a quorum, an alternate Director, notwithstanding that that Director may be the alternate Director for a number of Directors, shall not, alone, constitute a quorum, and shall only act in conjunction with, at least, one Director or another alternate Director.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

24. The Directors shall not be subject to retirement by rotation and any reference in the Regulations to such retirement shall be construed accordingly.
25. The Company may by ordinary resolution appoint a person who is willing to act as a Director, either to fill a vacancy or as an additional Director.
26. The Directors may appoint any person who is willing to act as a Director, either to fill a casual vacancy or as an additional Director.
27. There shall be no age limit for Directors of the Company.

### **PROCEEDINGS OF DIRECTORS**

28. A sole Director shall have and may exercise all the powers of, and the full authority conferred on, the Directors in terms of these Articles, and all references to the Directors in the Articles and Regulations shall be construed accordingly.
29. The quorum for the transaction of the business of the Directors may be fixed by the Directors but unless so fixed shall be two, except in the case of a sole Director, when the quorum shall be one. A person who holds office only as an alternate Director shall, if the appointing Director is not present, be counted in the quorum.
30. Any Director, including an alternate Director, may participate in a meeting of the Directors or a committee of Directors by means of a conference telephone or other conference communication facility by which all persons participating in the meeting can hear and speak with each other. Participation in a meeting in this manner shall be deemed to constitute the presence of a Director in person at such meeting, entitling him to be counted in the quorum and to vote accordingly. A telephone conference meeting shall be deemed to be held at the place where the largest number of Directors is present, or, where there is no such gathering, where the chairman is present.
31. Subject to such disclosure as is required by the Regulations, or the Act, a Director shall be entitled to vote at, and be counted in the quorum of, a meeting of Directors or of a committee of Directors on any resolution concerning a



matter in which the Director has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company.

#### **THE SEAL**

32. The Company shall not have a seal.

#### **INSURANCE**

33. The Directors shall be entitled to purchase and maintain insurance for the benefit of any persons who are or have at any time been Directors, officers, employees or auditors of the Company or any Company which is its holding Company or its subsidiary.

#### **GOVERNING LAW**

34. These Articles shall be governed by, and construed in accordance with, the Law of Scotland and the Company, its officers and its members, from time to time, prorogate the non-exclusive jurisdiction of the Scottish Courts.