

Yooseful Technology Limited (the "Company")

Registered in Scotland Number: SC297316

Companies Act 2006

Written Record of Members' Written Resolution

Circulation Date: 13 March 2012

On the 18th day of March 2012, the following RESOLUTIONS IN WRITING (such Resolutions to have effect as Ordinary and Special Resolutions, as indicated) were duly passed by the members of the Company entitled to attend and vote at a general meeting of the Company: -

ORDINARY RESOLUTION

- (1) THAT all authorities conferred on the directors prior to the date of passing of this resolution to allot relevant securities as per section 80 of the Companies Act 1985 (as amended or re-enacted from time to time) are hereby revoked.

SPECIAL RESOLUTION

- (2) THAT the document attached be adopted as the new articles of association of the Company, in place of and to the exclusion of all other previous articles of association.

18/3/12
DATE

Paul Logan
AUTHORISED SIGNATORY
FOR AND ON BEHALF OF
YOOSEFUL TECHNOLOY LIMITED

TUESDAY



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SCT

19/02/2013

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COMPANIES HOUSE

NOTES:

1. If you agree to the resolutions, please indicate your agreement by signing and dating this document where indicated above and return it to the Company using one of the following methods:-

- **By Hand:** delivering the signed copy to Brymer Legal Limited, 8 Rutland Square, Edinburgh, EH1 2AS (marked for the attention of Iain Hutcheson).
- **Post:** returning the signed copy by post to Brymer Legal Limited, 8 Rutland Square, Edinburgh, EH1 2AS (marked for the attention of Iain Hutcheson).
- **E-mail:** by attaching a scanned copy of the signed document to an e-mail and sending it to iain@brymerlegal.co.uk.

If you do not agree to the resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply. Please note however that the resolutions will be legally binding if they are passed by the requisite majorities, whether or not you have replied.

2. Once you have indicated your agreement to the resolutions, you may not revoke your agreement.
3. Unless, by 28 days after the Circulation Date noted above, sufficient agreement has been received for the resolutions to pass, they will lapse. If you agree to the resolutions, please ensure that your agreement reaches us before or during this date.
4. In the 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 the names of the joint holders appear in the register of members.
5. If you are signing this 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 (where the Company does not already hold a copy of the relevant power of attorney or authority).

ARTICLES OF ASSOCIATION
of
YOUSEFUL TECHNOLOGY LIMITED
(Registered Number SC297316)
A PRIVATE LIMITED COMPANY
Incorporated under
THE COMPANIES ACTS
(ADOPTED ■ MARCH 2012)

1. **DEFINITIONS AND INTERPRETATION**

- 1.1 In these Articles, the words and expressions below shall have the following meanings unless the context requires otherwise:

"the Act"	means the Companies Act 2006;
"Acting in Concert"	shall have the meaning given to it in the City Code on Takeovers and Mergers from time to time;
"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;
"Associated Company"	shall have the meaning given to it in the Act;
"Auditors"	means the auditors of the Company from time to time; unless auditors are not required pursuant to the Act and have not been appointed, in which case such reference shall instead mean the accountants of the Company from time to time;
"Board"	means the board of Directors of the Company from time to time;
"Business Day"	means any day from Monday to Friday inclusive which is not a local, public or statutory holiday in Scotland;
"Circulation Date"	means the earliest date on which a proposed written resolution is communicated in hard copy or electronic form (including without limitation by electronic mail or by publication on a website) to every eligible member who is entitled to receive such communication;
"Company"	means Yooseful Technology Limited, a private limited company incorporated under the Act, registered in Scotland under number SC297316;
"Compulsory Transferor"	means a member (including any joint holder) required to transfer his shares in accordance with Article 7.1 and " Compulsory Transfer " shall be construed accordingly;

"Connected Persons"	shall have the meaning given to it in sections 1122 and 1123 of the Corporation Tax Act 2010;
"Control Percentage"	means 51% or more of the issued share capital;
"Controlling Interest"	means 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;
"Director"	means a director of the Company or any alternate director duly appointed in accordance with these Articles;
"Eligible Director"	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter), as determined in particular in accordance with article 14 of the Model Articles;
"Group Member"	means any holding company, subsidiary company, wholly-owned subsidiary company or a parent company, in each case as defined in the Act;
"member"	means a person registered as a member in the register of members of the Company;
"Model Articles"	means the model Articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles
"Privileged Relation"	<p>means in respect of an individual:-</p> <ul style="list-style-type: none"> (i) the spouse, civil partner, surviving civil partner or widow of the relevant person; (ii) the relevant person's issue (including step and adopted issue); (iii) the relevant person's parents and grandparents (including step and adoptive parents); (iv) the relevant person's siblings and their respective issue (including step and adoptive siblings) (the persons referred to in (i) to (iv) being the "family members"), (v) any trust (including without limitation any pension fund) established for the benefit of the relevant person or his family members, or (vi) any charitable trust established by the relevant person and/or by his family members; <p>and in respect of any such family trust referred to in paragraph (v), a beneficiary of such trust;</p>
"share"	means any share forming part of the share capital of the Company;
"Valuer"	means the Auditors unless they decline to act and in such an instance the valuer shall instead be appointed by the President for the time being of the Institute of Chartered Accountants of

Scotland.

- 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.
- 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.
- 1.8 References to the phrase "Privileged Relations" shall save for the references in Article 1.1 and Article 5.2 respectively, be deemed to include the phrase "and/or Group Member".

2. MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company except in so far as they are excluded or varied by or are inconsistent with these Articles.
- 2.2 Articles 11(2), 23, 24(2)(d), 24(5)(a), 48(2), 48(3), 49, 52 and 53 of the Model Articles shall not apply to the Company.
- 2.3 The following amendments shall be made to the articles of the Model Articles in so far as they apply to the Company:-
 - 2.3.1 in article 9(1) of the Model Articles, by the insertion of the phrase "not less than five Business Days" in the first sentence between the words "giving" and "notice";
 - 2.3.2 in article 20 of the Model Articles, by the insertion of the phrase "(including alternate directors) and the secretary" in the first sentence between the words "directors" and "properly incur";
 - 2.3.3 in article 22(1) of the Model Articles, by the amendment to the reference to "ordinary resolution" to read "special resolution"; and
 - 2.3.4 in article 31(1) of the Model Articles, by the deletion of all occurrences of the phrase "either in writing or as the directors may otherwise decide" and by the substitution, in its place, of the phrase "in writing".

3. SHARE CAPITAL

- 3.1 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.
- 3.2 Any 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 stating 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.
- 3.3 Article 3.2 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 3.2.

- 3.4 Pursuant to the Act, all statutory rights of pre-emption shall be excluded from applying to the Company. In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 3.5 Notwithstanding the provisions of Articles 3.1 to 3.3, the Company shall not allot any share at a subscription price of less than £160 per share without the prior written consent of members holding shares conferring in aggregate 65% 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 of the members of the Company.
- 3.6 No shareholder shall, except with the prior written consent of the other shareholders, create or permit to subsist any pledge, lien or charge over, or grant any option or other rights over or dispose of any interest in, any of the shares held by him whether by transfer or otherwise.

4. LIEN

- 4.1 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.

5. TRANSFER OF SHARES

- 5.1 The Directors shall refuse to register any transfer of shares made in contravention of the provisions of these Articles.
- 5.2 Subject only to Article 8 and Article 9, the Directors shall have the right (but not the obligation) to register a transfer of shares complying with one or more of the following conditions :-
- 5.2.1 a transfer of a share made pursuant to Article 6;
 - 5.2.2 a transfer of a share made pursuant to Article 7;
 - 5.2.3 a transfer of a share made with the prior written consent of the holders of 51% by nominal share value of the shares in the share capital of the Company for the time being, other than the transferor;
 - 5.2.4 a transfer or transmission of a share by any member who is an individual to a Privileged Relation, (subject to the obligation on any such transferee to retransfer any such share to the original transferor in the event that the transferee ceases to be a Privileged Relation) and a retransfer of any such share from such Privileged Relation to such transferor;
 - 5.2.5 a transfer or transmission of a share by the estate of a deceased member to a person who was a Privileged Relation of such deceased member;
 - 5.2.6 a transfer or transmission of a share by any member, which is a company, to a Group Member of that company, subject to the obligation on any such corporate transferee to retransfer any such share to the original transferor in the event that the corporate transferee ceases to be a Group Member.
- 5.3 Notwithstanding the provisions of Articles 6, 7, 8, and 9, no shareholder can be compelled, without his prior written consent, to transfer some or all of the shares held by him (from time to time) at a price of less than £160 per share.

6. PRE-EMPTION RIGHTS ON TRANSFER

- 6.1 Except in the case of a transfer expressly authorised by Article 5.2, 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.
- 6.2 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"). The Transfer Notice shall specify the Offer Shares and the price at which they are offered for sale (the "Suggested Price") and shall constitute the Directors as the agents of the Transferor for the sale of the Offer Shares in accordance with these Articles. A Transfer Notice may contain a provision that unless all the Offer Shares are sold under this Article, none shall be sold (a "Total Transfer Condition"). A Transfer Notice may not be revoked unless (i) it contains a Total Transfer Condition, or (ii) all the members of the Company (other than the Transferor) agree in writing that it may be revoked, or (iii) permitted in terms of Article 6.6. This Article 6.2, together with Articles 6.3 and 6.4, shall not apply to any Compulsory Transfer, and instead Articles 7.1 to 7.5 shall apply.

- 6.3 Within 7 days after a Transfer Notice (other than a Deemed 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.
- 6.4 If on or before the expiry of the 21 day period referred to in Article 6.3 the Directors shall receive a Valuation Notice requesting a valuation then the Directors shall instruct a Valuer to determine the fair value of the Offer Shares in accordance with Article 6.5, 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. If the Directors do not receive a Valuation Notice within the relevant period, then the Suggested Price of the Offer Shares shall be the "Purchase Price", and Article 6.9 shall apply accordingly.
- 6.5 The fair value of the Offer Shares (the "Fair Value") shall be calculated on the basis of the value of the whole Company on a going concern basis as between a willing seller and a willing buyer, with no reduction or other account being taken of the proportion which the Offer Shares bear to the total number of shares in issue, or shares of the same class as the Offer Shares in issue or any restrictions on the ability to transfer the Offer Shares. 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.
- 6.6 Within 7 days of receipt by the Directors of the Certificate of Fair Value (whether pursuant to Article 6.4 or 7.5), the Directors shall send a copy thereof to the Transferor; declaring that the Transferor (other than a Compulsory Transferor) 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. Where the Transferor is a Compulsory Transferor, 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 30 days of being instructed to do so (in accordance with Article 6.5). 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.
- 6.7 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 6.6 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 6.6 in which case the Compulsory Transferor shall bear such cost.
- 6.8 In the case of a Transfer Notice other than a Deemed Transfer Notice, unless the Transfer Notice is revoked by the Transferor in accordance with Article 6.6, the Directors shall give notice to all the holders of shares in the Company (other than the Transferor) of the lower of (i) the Suggested Price and (ii) the Fair Value as determined by the Valuer (the "Purchase Price"), and in each case 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. In the case of a Deemed Transfer Notice, as soon as reasonably practicable (if necessary, following any decision by an independently nominated valuer appointed in accordance with Article 6.6), the Directors shall give notice to all the holders of shares in the Company (other than the Compulsory Transferor) of the lower of (i) the Suggested Price and (ii) the Fair Value as determined by the independently nominated valuer referred to in Article 6.6 (the "Purchase Price"), and in each case 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.

- 6.9 On the expiry of the 21 day period referred to in Article 6.3 or, if a Certificate of Fair Value has been obtained, the expiry of the 14 day period referred to in Article 6.8, the Directors shall allocate the Offer Shares to those members who have applied to purchase the Offer Shares, and in the event of competition amongst members such allocation shall be in accordance with Article 6.10. If the Transfer Notice contains a Total Transfer Condition, no allocation of the Offer Shares shall be made under this Article 6.9 or Article 6.10 unless as a result of such allocation combined with the purchase of Offer Shares by the Company pursuant to Article 6.14 (if any), all the Offer Shares will be sold.
- 6.10 If the aggregate number of Offer Shares for which members have applied exceeds the number of Offer Shares 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.
- 6.11 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.
- 6.12 If in any case a Transferor, after having become bound to transfer any shares to a purchaser, shall make default in transferring the Offer Shares, the Directors may authorise any Director to execute on behalf of and as attorney for the Transferor any necessary transfer documentation 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 Offer Shares and hold the Purchase Price in trust for the Transferor. The receipt by the Directors of 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.
- 6.13 Where more than one member has stated his willingness to purchase Offer Shares and through no default of the Transferor such 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 7 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 6.14 shall apply.
- 6.14 Following the expiry of the latest applicable of (i) the 21 day period referred to in Article 6.3 or (ii) if a Certificate of Fair Value has been obtained, the 14 day period referred to in Article 6.8 or (iii) the 7 day period referred to in Article 6.13 (in all cases the "Relevant Expiry Date"), if any of the Offer Shares have not been allocated:-
- 6.14.1 The Directors may within 7 days of the Relevant Expiry Date determine that the Company shall, if it is permitted to do so under the Act, attempt to purchase some or all of the Offer Shares itself at the Purchase Price (the "Determination").
- 6.14.2 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.
- 6.14.3 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 6.14.2), 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 Total Transfer Condition the Directors may only so authorise any Director if all the Offer Shares will as a result be sold.
- 6.14.4 The receipt by the Directors of 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.

- 6.15 If either (i) the Directors do not by the close of business on the last day of the 7 day period referred to in Article 6.14.1, make a Determination; or (ii) having made such a Determination, the Company shall not complete a purchase of the Offer Shares by the close of business on the last day of the 60 day period referred to in Article 6.14.2 (in each case a "Buy-Back Expiry Date"), then 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 (a) if the Transfer Notice contains a Total Transfer Condition the Transferor shall be entitled to transfer all but not some only of the Offer Shares and (b) in the case of a Compulsory Transfer, any such transfer of the Offer Shares shall be subject to the approval of the Board.

7. COMPULSORY TRANSFERS

- 7.1 Where any of the following events occurs after the date of adoption of these Articles in relation to a member (a "Compulsory Transferor"), the member in question shall be deemed to have immediately given a provisional notice of transfer (a "Deemed Transfer Notice") in respect of all the shares as then registered in the name of such member and all of the shares as then beneficially owned or controlled by that member (the "Offer Shares"):-

7.1.1 In relation to a member being an individual:-

- 7.1.1.1. such member is subject to a criminal conviction (other than a minor road traffic offence); or
- 7.1.1.2. such member is adjudicated bankrupt; or
- 7.1.1.3. death.

7.1.2 In relation to a member being a body corporate:-

- 7.1.2.1. a receiver, manager or administrative receiver is appointed in respect of such member or over all or any part of its undertaking or its assets; or
- 7.1.2.2. such member enters into liquidation (other than a voluntary liquidation for the purposes of a bona fide scheme of solvent amalgamation or reconstruction).

Provided always that the provisions of Article 5.2.5 shall take priority over the provisions of Article 7.1.1.2, and the provisions of Article 7.1.1.2 shall not apply where shares have been, or are to be, transferred/transmitted to a Privileged Relation in terms of Article 5.2.5.

- 7.2 The Deemed Transfer Notice shall be deemed to constitute the Directors as the agents of the Compulsory Transferor for the sale of the Offer Shares in accordance with these Articles and it shall confer upon the Directors the authority to implement a Compulsory Transfer of the Offer Shares, subject to the passing of a Board resolution or otherwise in accordance with Article 7.3. A Deemed Transfer Notice cannot contain a Total Transfer Condition and may not be revoked by the Compulsory Transferor.
- 7.3 The Deemed Transfer Notice may be enforced by the Directors, if the Directors pass a resolution to that effect, by written notice to the Compulsory Transferor at any time within a period of eighteen months from the date of the event which results in a Deemed Transfer Notice. After expiry of this period, the Deemed Transfer Notice may not be enforced. Immediately upon written notice having been served upon the Compulsory Transferor, the provisions of Articles 7.4 to 7.6 shall apply and the provisions of Article 6 shall apply to any Deemed Transfer Notice as if it were a Transfer Notice, subject always to the overriding effect of Articles 7.4 to 7.6.
- 7.4 The Deemed Transfer Notice shall be deemed to specify the price at which the Offer Shares are offered for sale (the "Suggested Price"), which price shall be the Fair Value.
- 7.5 In the event that a valuation of the Offer Shares is required in terms of Article 7.4, the Directors shall instruct the Valuer, acting as an expert and not as an arbiter, (i) to determine the Fair Value (in accordance with Article 6.5) of the Offer Shares as at the date of the event giving rise to the Deemed Transfer Notice, and (ii) to produce a certificate stating such value (a "Certificate of Fair Value") within 30 days of being instructed to do so.

- 7.6 Any obligation to transfer a share under the provisions of this Article 7 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.

8. **LIMITATION ON CHANGE OF CONTROL – TAG ALONG RIGHTS**

- 8.1 Notwithstanding any other Article, no sale or transfer (other than a sale or transfer permitted by Articles 5.2.3 (provided that there is no change in the Controlling Interest), 5.2.4 or 5.2.6) of the legal or beneficial interest in any shares in the Company (the "Specified Shares") may be made or validly registered if as a result of a sale or transfer of the legal and or beneficial interest in any such shares in the Company a Controlling Interest would be obtained in the Company by any person or group of persons Acting in Concert unless the proposed transferee or transferees or, his or their nominees has or have offered to purchase all the shares for the time being in issue at the Specified Price (as defined below) (the "Tag Along Offer"), such offer to be made by notice in writing to all Recipients (as defined below) and such offer stipulated to be open for acceptance for at least 21 days.
- 8.2 A Tag Along Offer shall expire 21 days (or such longer period of acceptance stipulated within the Tag Along Offer) after the date of the Tag Along Offer. Any Recipient who wishes to accept the Tag Along Offer must notify the proposed transferee(s) in writing of its acceptance of such offer. Any Recipient who fails to accept the Tag Along Offer within the period limited for acceptance shall be deemed to have rejected it.
- 8.3 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.
- 8.4 If any part of the Specified Price is to be paid except by cash then each Recipient may, at its option, elect to take a price per share of such cash sum as may be agreed by it and the proposed transferee having regard to the transaction as a whole.
- 8.5 In the event of a disagreement, the calculation of the Specified Price (including a determination of the Fair Value) shall be referred to an independent expert (acting as an expert and not as an arbiter and whose decision shall be final and binding) nominated by the President for the time being of the Institute of Chartered Accountants of Scotland and acting at the expense of the proposed transferee(s) or his or their nominees (as appropriate).
- 8.6 For the purposes of this Article 8:-

"Recipients" means all members of the Company (and "Recipient" means any one of them); and

"Specified Price" means a price per share being not less than the Fair Value and at least equal to the value of the consideration (in cash or otherwise) offered or paid or payable by the proposed transferee(s) or his or their nominees for the Specified Shares being acquired including without limitation (i) the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares 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 per share and (ii) all arrears and accruals of the dividends on such shares calculated down to the date of the sale or transfer.

9. **SALE BY QUALIFYING MAJORITY – DRAG ALONG RIGHTS**

- 9.1 Notwithstanding any other Article but subject to Article 9.3, where any person or persons (an "Offeror") makes a Qualifying Offer (as hereinafter defined) and this is to be accepted by the Majority Members (as hereinafter defined), the Majority Members may by notice in writing (a "Drag Along Notice") to the other members of the Company (the "Minority Members") require the Minority Members to (i) forthwith accept such Qualifying Offer, and (ii) transfer all of their shares free from all charges, liens, encumbrances and other third party rights to the Offeror at the same time as the Majority Members transfer all of their own shares to the Offeror.
- 9.2 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder shall lapse if for any reason the sale of the shares of the Majority Members pursuant to Article 9.1 does not complete within 60 days after the date of the Drag Along Notice.

- 9.3 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or otherwise (a "New Member"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice and, the New Member shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror and the provisions of this Article 9 shall apply to the New Member (and the New Member shall be deemed to be a "Minority Member" for the purposes of this Article 9).
- 9.4 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 irrevocably appointed any of the Directors to be his agents and attorneys for the purposes of accepting such Qualifying Offer and/or transferring all of that Minority Member's shares (as the case may be) and executing and delivering any such documents. The provisions of Article 6.12 shall have effect as if such Minority Member was the Transferor and the Offeror was the purchaser.
- 9.5 For the purposes of this Article 9:-
- "Majority Members"** means members holding shares conferring in aggregate more than 51% 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 of the members of the Company;
- "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 an independent expert (acting as expert and not as arbiter and whose decision shall be final and binding) acting at the expense of all the members of the Company (in proportion to their respective shareholdings) and nominated by the Majority Members 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.
- 9.6 In determining whether an offer satisfies condition (i) of Article 9.5 above such independent expert shall take into account:
- 9.6.1 any differences in class rights between shares; and
 - 9.6.2 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.
- 9.7 The determination of the Fair Value pursuant to condition (ii) of Article 9.5 may be referred by the Company to an independent expert (acting as an expert and not as an arbiter and whose decision shall be final and binding) nominated by the President for the time being of the Institute of Chartered Accountants of Scotland and acting at the expense of the Company.
- 9.8 For the avoidance of doubt, the provisions of Article 6 do not apply in the event of any acquisition of shares pursuant to this Article 9.

10. PROCEEDINGS AT GENERAL MEETINGS

- 10.1 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, and such meeting was convened on the requisition of members, then the chairman of the meeting must dissolve the meeting.
- 10.2 If the persons attending an adjourned general meeting within half an hour of the time at which the adjourned meeting was due to start do not constitute a quorum, then the members present shall be a quorum.

- 10.3 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.

11. WRITTEN RESOLUTIONS

- 11.1 Where a resolution is to be proposed as a written resolution and such written resolution is accepted by or on behalf of:-

11.1.1 in the case of an ordinary resolution, over 51%; and

11.1.2 in the case of a special resolution, 75% or more

of the members who would be entitled to receive notice of and to attend and vote at a general meeting at which such resolution was to be proposed shall, subject always to the provisions of the Act from time to time, be valid, effectual and binding on all of the members of the Company. Any such written resolution may consist of several documents in materially the same form, each accepted by or on behalf of the requisite number of members. Acceptance of a written resolution shall be in terms of the procedure set out in section 296 of the Act. In the case of a corporation which is a member of the Company, acceptance (following section 296 of the Act) by a director or its secretary or by a duly appointed and authorised attorney or representative shall be sufficient.

- 11.2 A proposed written resolution circulated to the members shall lapse if it is not passed by the requisite number of members before the expiration of three months from the Circulation Date stated on the proposed written resolution.

12. NUMBER OF DIRECTORS

- 12.1 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.

- 12.2 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.

13. ALTERNATE DIRECTORS

- 13.1 Any Director (the "Appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to exercise that Director's powers and carry out that Director's responsibilities, in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

- 13.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

- 13.3 Any notice relating to an alternate must identify the proposed alternate and, in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

- 13.4 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's Appointor.

- 13.5 Except as the Articles specify otherwise, alternate Directors are deemed for all purposes to be Directors, are liable for their own acts and omissions, are subject to the same restrictions as their Appointors, are not deemed to be agents of their Appointors and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.

- 13.6 A person who is an alternate Director but not a Director:-

13.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);

13.6.2 may participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and

- 13.6.3 shall not be counted as more than one Director for the purposes of Articles 13.6.1 and 13.6.2.
- 13.7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.
- 13.8 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 13.9 An alternate Director's appointment as an alternate terminates:-
- 13.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 13.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
 - 13.9.3 on the death of the alternate's Appointor; or
 - 13.9.4 when the alternate's Appointor's appointment as a Director terminates.

14. **APPOINTMENT OF DIRECTORS**

- 14.1 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.
- 14.2 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.

15. **PROCEEDINGS OF DIRECTORS**

- 15.1 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 Model Articles shall be construed accordingly.
- 15.2 Except in the case of a sole Director, when the quorum shall be one, a meeting of the Directors shall not be quorate unless those Directors (including any alternate Director) present shall hold shares (or shall represent those members holding shares) conferring in aggregate 65% 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 of the members of the Company, and the quorum for any meeting of the Directors shall be defined accordingly.
- 15.3 The business of the Company shall be managed by the Board. For the avoidance of doubt, the following matters may not be dealt with by an individual Director but, rather, require to be dealt with by the Directors at a quorate meeting of the Board, that is where the Company:
- 15.3.1 creates any fixed or floating charge, lien (other than a lien arising by operation of law) or ~~other encumbrance over the whole or any part of its undertaking, property or assets, except for the purpose of securing indebtedness to its bankers for sums borrowed in the ordinary and proper course of business;~~
 - 15.3.2 borrows (except from the Company's bankers in the ordinary and proper course of business) in excess of a maximum aggregate sum outstanding at any time £250;
 - 15.3.3 makes a loan or advance of any amount or gives credit (other than normal trade credit) to any person, apart from deposits with bankers which are repayable upon the giving of not more than seven days' notice;
 - 15.3.4 gives guarantee or indemnity to secure the liabilities or obligations of any person;
 - 15.3.5 sells, transfers, leases, assigns, or otherwise disposes of a material part of its undertaking, property or assets (or any interest in them), or contracts to do so otherwise than in the ordinary and proper course of business;

- 15.3.6 enters into a contract, arrangement or commitment involving expenditure on capital account or the realisation of capital assets if the amount or the aggregate amount of the expenditure or realisation of capital assets if the amount or the aggregate amount of the expenditure or realisation by the Company would exceed £1500 in any one year or in relation to any one project; for the purpose of this paragraph the aggregate amount payable under an agreement for hire, hire purchase or purchase on credit sale or unconditional sale terms is to be treated as capital expenditure incurred in the year in which the agreement is entered into;
- 15.3.7 appoints or dismisses a Director;
- 15.3.8 appoints a committee of the Directors or a local board or delegates any of the powers of the Directors to a committee or local board;
- 15.3.9 takes or agrees to take leasehold interest in or licence over land;
- 15.3.10 issues any shares or creates any new shares;
- 15.3.11 alters the rights attaching to any class of shares of the Company;
- 15.3.12 consolidates, sub-divides or converts any class of shares of the Company;
- 15.3.13 issues renounceable allotment letters or permits any person entitled to receive an allotment of shares to nominate another person to receive the allotment except on terms that no renunciation or nomination shall be registered unless the renounce or person nominated is approved by the Board;
- 15.3.14 creates or acquires a subsidiary or disposes of any shares in a subsidiary;
- 15.3.15 enters the company into a partnership or profit sharing agreement;
- 15.3.16 does or permits to be done any act or thing whereby the Company may be wound up (whether voluntarily or compulsorily);
- 15.3.17 issues securities convertible into shares or debentures, or share warrants or options in respect of shares;
- 15.3.18 enters into a contract or transaction except in the ordinary and proper course of business on arm's length terms;
- 15.3.19 acquires, purchases or subscribes for shares, debentures, mortgages or securities (or any interest in any of them) in any corporation or undertaking on behalf of the Company;
- 15.3.20 creates a contract or obligation or renews or varies any major or substantial term of an existing contract or obligation;
- 15.3.21 register any transfer of shares;
- 15.3.22 holds a meeting of shareholders or purports to transact any business at a meeting unless there are present duly authorised representatives or proxies for each of the shareholders.

16. DIRECTORS' CONFLICT OF INTEREST

- 16.1 The Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under Section 175 of the Act to avoid conflicts of interest (a "Conflict").
- 16.2 Any authorisation under this Article will be effective only if:-
 - 16.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - 16.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and
 - 16.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.
- 16.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):-

- 16.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
- 16.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and
- 16.3.3 be terminated or varied by the Directors at any time.
- 16.4 This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 16.5 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:-
 - 16.5.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
 - 16.5.2 use or apply any such information in performing his duties as a Director where to do so would amount to a breach of that confidence.
- 16.6 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:-
 - 16.6.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
 - 16.6.2 is not given any documents or other information relating to the Conflict; and
 - 16.6.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 16.7 Where the Directors authorise a Conflict:-
 - 16.7.1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
 - 16.7.2 the Director will not infringe any duty he owes to the Company by virtue of Sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.
- 16.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

17. THE SEAL

- 17.1 The Company shall not have a seal.

18. INDEMNITY

- 18.1 Without prejudice to any indemnity to which any person referred to in this Article 18 may otherwise be entitled, every present and former Director, alternate Director, secretary or other officer of the Company (excluding any present or former Auditors) (an "Indemnified Person") shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in the execution and discharge of his duties to the Company and any Associated Company, including any liability incurred by any Indemnified Person in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or an Associated Company provided that such indemnity shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person (or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled) and no Indemnified Person shall be entitled to be indemnified for:
 - 18.1.1 any liability incurred by him to the Company or any Associated Company of the Company as above defined;

- 18.1.2 any fine imposed in any criminal proceedings;
- 18.1.3 any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;
- 18.1.4 any amount for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final;
- 18.1.5 any amount for which he has become liable in defending any civil proceedings brought by the Company or any Associated Company in which a final judgment has been given against him; and
- 18.1.6 any amount for which he has become liable in connection with any application under sections 661(3) or (4) or 1157 of the Act in which the court refuses to grant him relief and such refusal has become final.

19. INSURANCE

- 19.1 The Company shall have power to purchase and maintain for (i) any Indemnified Person (as defined in Article 18), (ii) any director, secretary or other officer (other than any present or former auditors) or employee of an Associated Company and (iii) any persons who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Associated Company are interested, insurance against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust (actual or purported) by him in relation to the Company or any Associated Company or any such pension fund or employees' share scheme or otherwise in connection with his duties, powers or office.

20. NOTICES

- 20.1 Subject to Article 20.1, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 20.2 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"), or airmail, or by personal delivery, including courier delivery, to the registered address of the member, or by electronic mail ("e-mail") to the e-mail address of the member notified to the Company. A notice shall be deemed to have been received: (i) in the case of fax, when a successful transmission report is generated during that or the next Business Day; (ii) in the case of post, thirty-six hours from midnight (00.00 hrs) on the date of posting, postage prepaid, evidenced by the relevant proof of posting; (iii) in the case of airmail, on the seventh Business Day following mailing, if mailed by airmail, postage prepaid, evidenced by the relevant proof of posting; (iv) 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 (v) in the case of e-mail, when a successful delivery receipt is generated during that or the next Business Day. Where the deemed day of receipt of a notice is not a Business Day or where deemed receipt occurs at the place of delivery on a Business Day but after 1800hrs, that notice shall be deemed to have been received at 0930hrs on the next Business Day.
- 20.3 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.
- 20.4 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 as expressly required in these Articles.

21. GOVERNING LAW

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.

22. NON – SOLICITATION

- 22.1 None of the shareholders shall, whilst he is beneficially interested in any shares or for a period of six months from the date on which he ceases to be beneficially interested in any shares, do or permit any of the following without the prior consent of the other shareholders:
- 22.1.1 solicit the custom of any person who is or has been at any time whilst he has been interested in any of the shares a customer of the Company for the purpose of offering to that person goods or services similar to or competing with those of the business of the Company;
 - 22.1.2 solicit or entice away, or endeavour to solicit or entice away, any Director or senior employee of the Company.
- 22.2 Each undertaking in Article 22.1 shall be treated as independent of the other undertakings so that, if one or more is held to be invalid as an unreasonable restraint of trade or for any other reason, the remaining undertakings shall be valid to the extent that they are not affected.
- 22.3 Whilst the undertakings in Article 22.1 are considered by the shareholders to be reasonable in all circumstances, if one or more is held invalid as an unreasonable restraint of trade or for any other reason but would have been held valid if part of the wording had been deleted, the period reduced or the range of activities or area dealt with reduced in scope, the undertakings shall apply with such modifications as may be necessary to make them valid.

23. INTELLECTUAL PROPERTY

Each shareholder shall, whilst he is beneficially interested or ceases to be beneficially interested, in any shares of the Company, will endeavour to protect the intellectual property of the Company. All information divulged to shareholders regarding the Company will be regarded as confidential and will be treated as such indefinitely.