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SIGNATURE OF DIRECTOR FOR IDENTIFICATION

THE COMPANIES ACT 2006

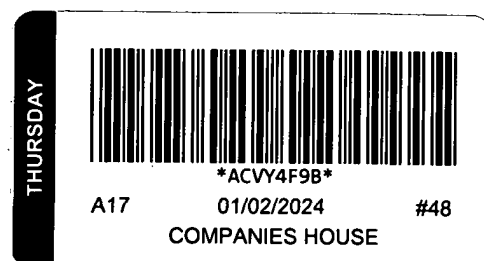
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CANIMAAN SOFTWARE LIMITED

Company No SC500971



# ARTICLES OF ASSOCIATION

of

## CANIMAAN SOFTWARE LIMITED

(Registered Number: SC500971)

(as amended by Special Resolution on

24<sup>th</sup> January 2024)

### CONTENTS

1. DEFINITIONS AND INTERPRETATION .....	3
2. MODEL ARTICLES .....	5
3. SHARE CAPITAL .....	5
4. LIEN .....	7
5. TRANSFER OF SHARES.....	7
6. PRE-EMPTION RIGHTS ON TRANSFER.....	8
7. LIMITATION ON CHANGE OF CONTROL – TAG ALONG RIGHTS.....	10
8. LIMITATION ON CHANGE OF CONTROL – DRAG ALONG RIGHTS .....	11
9. PROCEEDINGS AT GENERAL MEETINGS.....	13
10. WRITTEN RESOLUTIONS.....	13
11. NUMBER OF DIRECTORS .....	14
12. ALTERNATE DIRECTORS .....	14
13. APPOINTMENT OF DIRECTORS .....	16
14. PROCEEDINGS OF DIRECTORS.....	16
15. DIRECTORS’ CONFLICT OF INTEREST.....	16
16. THE SEAL .....	18
17. INDEMNITY.....	18
18. INSURANCE .....	18
19. NOTICES .....	19
20. GOVERNING LAW.....	19

## **1. DEFINITIONS AND INTERPRETATION**

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

<b>"Accountants"</b>	means the accountants of the Company from time to time;
<b>"Act"</b>	means the Companies Act 2006;
<b>"Articles"</b>	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 <b>"Article"</b> shall be a reference to a regulation contained in these Articles;
<b>"Associated Company"</b>	shall have the meaning given to it in the Act;
<b>"Board"</b>	means the board of Directors of the Company from time to time;
<b>"Business Day"</b>	means any day from Monday to Friday inclusive which is not a local, public or statutory holiday in Scotland;
<b>"Circulation Date"</b>	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;
<b>"Company"</b>	means <b>CANIMAAN SOFTWARE LIMITED</b> , a company incorporated in Scotland with registered number <b>SC500971</b> and having its registered office at <b>The Capital Building 2nd Floor, 12/13 St. Andrew Square, Edinburgh, Scotland, EH2 2AF</b> ;
<b>"Companies Acts"</b>	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the relevant company;
<b>"Control Percentage"</b>	means 50% or more of the issued share capital;
<b>"Controlling Interest"</b>	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;
<b>"Director"</b>	means a director of the Company or any alternate director duly appointed in accordance with these Articles;

<b>"Eligible Director"</b>	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;
<b>"Fair Value"</b>	<p>means the fair value of any shares to be valued (the "<b>valued shares</b>") calculated by the Valuer on the basis of the value of the whole Company and shall be based on the following assumptions:-</p> <ul style="list-style-type: none"> <li>(a) an arm's length sale between a willing seller and a willing buyer;</li> <li>(b) if the Company is carrying on a business as a going concern, on the assumption that it will continue to do so;</li> <li>(c) that the said valued shares are capable of being transferred without restriction;</li> <li>(d) that no account is taken of the proportion which the said valued shares bear to the total number of shares in issue; and</li> <li>(e) that no account is taken of the proportion which the said valued shares bear to the total number of shares in issue,</li> </ul> <p>declaring that the Fair Value of each valued share shall be calculated by dividing the Fair Value of all the valued shares by the total number of the valued shares (no premium or discount will be attached to either an A Ordinary Share or a B Ordinary Share;</p>
<b>"Issued Amount"</b>	means £1.021 divided into 21 B Ordinary Shares of £0.001 each and 1,000 A Ordinary Share of £0.001 each;
<b>"member"</b>	means a person registered as a member in the register of members of the Company;
<b>"Model Articles"</b>	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;
<b>"shares"</b>	means a share in the share capital of the Company (whether that is an A Ordinary Share or a B Ordinary Share;
<b>"Total Transfer Condition"</b>	shall have the meaning given to it in Article 6.2; and
<b>"Valuer"</b>	means the Accountants, 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. Words importing a particular gender include any gender. References to a "person" include any natural person, or any legal person, body or organisation, incorporated or unincorporated.
- 1.3 The headings in these Articles are for convenience only and shall not affect the construction of these Articles. Words and expressions defined in the Act shall bear the same meanings in these Articles.
- 1.4 Unless provision is made to the contrary, references to any statute or statutory provision includes a reference to: 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 all statutory instruments or orders made pursuant to it.

**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), 12, 17(1), 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 Notwithstanding any other provision of these Articles, the issued share capital of the Company on the date of adoption of these Articles consists of the Issued Amount and the Company shall have A Ordinary Shares of £0.001 each and B Ordinary Shares of £0.001 each.

Save to the extent authorised from time to time by an ordinary resolution of the members, the Directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company. Section 550 of the Act shall not apply to the Company.

- 3.2 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.
- 3.3 Subject to Article 3.4, 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.
- 3.4 Article 3.3 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 3.3.
- 3.5 Pursuant to the Act, all statutory rights of pre-emption shall be excluded from applying to the Company.
- 3.6 Subject to the provisions of the Act, the Company shall be authorised to buy back shares using the Company's cash.
- 3.7 Subject to article 3.8, each class of share shall entitle the holders of those shares to the respective rights and obligations set out in these Articles. Save as otherwise provided in these Articles, the A Ordinary Shares and the B Ordinary Shares shall confer the same rights upon the holders of those shares.
- 3.8 The rights attaching to the shares are as follows:-

**3.8.1 Income**

Dividends shall be paid in any financial year where there are profits available for distribution (subject to agreement of the directors from time to time).

The Directors in their sole discretion shall determine if any dividend shall be paid *pari passu* across all the shares (irrespective of class) or

specifically to the A Ordinary Shares or the B Ordinary Shares as the case may be.

**3.8.2 Capital**

On a return of capital, whether on liquidation, capital reduction or otherwise (but excluding a purchase of own shares), any surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the members pro rata according to the number of shares held by each of them respectively, as if such shares constituted one class of share.

**3.8.3 Voting**

Subject to the provisions of the Act, at a general meeting of the Company on a show of hands every member who (being an individual) is present in person or by proxy, or (being a corporation) is present by a representative duly authorised under section 323 of the Act, shall have one vote and on a poll every member present in person, by representative or by proxy shall have one vote for every share of which it is the holder. On a written resolution every member shall have one vote for each share of which it is the holder.

**3.8.4 Variation of share rights**

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

**4. LIEN**

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 The Directors shall register a transfer of shares made pursuant to Article 6, Article 7, or Article 8.

**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 same class 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**"). Notwithstanding any other provisions of these Articles, the price of the Offer Shares shall be its Fair Value of the Offer Shares.

The Transfer Notice 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 6.5.

- 6.3 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. Priority shall be given to the shareholders of the same class as those in the class that are offered for sale.
- 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 as soon as reasonably practicable thereafter to determine the Fair Value of the Offer Shares, 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 6.8 shall apply accordingly.
- 6.5 Within 7 days of receipt by the Directors of the Certificate of Fair Value (whether pursuant to Article 6.4), 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.



- 6.6 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 6.5 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 6.5 in which case the Compulsory Transferor shall bear such cost.
- 6.7 In the case of a Transfer Notice, unless the Transfer Notice is revoked by the Transferor in accordance with Article 6.5, 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 21 days whether he is willing to purchase any and, if so, what maximum number, of Offer Shares at the Purchase Price.
- 6.8 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 21 day period referred to in Article 6.7, 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 6.11. If the Transfer Notice contains a Total Transfer Condition, no allocation of the Offer Shares shall be made under this Article 6.8 or Article 6.11 unless as a result of such allocation combined with the purchase of Offer Shares by the Company pursuant to Article 6.12, all the Offer Shares will be sold.
- 6.9 On the allocation being made, the Directors shall give details of the allocation in writing to the Transferor and to each member (noting that priority will be given to shares of the same class) 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.
- 6.10 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.
- 6.11 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 6.12 shall apply.

- 6.12 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 21 day period referred to in Article 6.7 or (iii) the 7 day period referred to in Article 6.11 (in all cases the "**Relevant Expiry Date**"), if any of the Offer Shares have not been allocated:-

6.12.1 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**");

6.12.2 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;

6.12.3 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 6.12.2), 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; and

6.12.4 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.

## **7. LIMITATION ON CHANGE OF CONTROL – TAG ALONG RIGHTS**

- 7.1 Notwithstanding any other Article, no sale or transfer of the legal or beneficial interest in any shares in the Company ("**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:-

7.1.1 a Controlling Interest would be obtained in the Company by any person or group of persons; or

7.1.2 50% or more of the shares held collectively by any shareholder or their Connected Persons would be transferred to any person or group of persons,

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) and on the same terms and conditions as to the payment of the Specified Price (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.

- 7.2 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 for acceptance shall be deemed to have rejected it.
- 7.3 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.
- 7.4 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).
- 7.5 For the purposes of this Article 7:-

**"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 (but not where such consideration is an offer of future employment, which is otherwise reasonable having regard to the skill set of the particular transferee) and (ii) all arrears and accruals of the dividends on such shares calculated down to the date of the sale or transfer.

## **8. LIMITATION ON CHANGE OF CONTROL – DRAG ALONG RIGHTS**

- 8.1 After first giving a Transfer Notice and going through the procedure set out in article 6, if the holders of 85% of the Shares in issue for the time being (**"Selling Shareholders"**) wish to transfer all (but not some only) of their Shares (**"Sellers' Shares"**) to a bona fide purchaser on arm's length terms (**"Proposed Buyer"**), the Selling Shareholders may require all other Shareholders (**"Called Shareholders"**) to sell and transfer all their

shares ("**Called Shares**") to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article ("**Drag Along Option**").

8.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders ("**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:

8.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 8;

8.2.2 the person to whom the Called Shares are to be transferred;

8.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and

8.2.4 the proposed date of the transfer.

8.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 21 days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

8.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 8.

8.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:

8.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or

8.5.2 that date is less than 21 days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 22<sup>nd</sup> day after service of the Drag Along Notice.

8.6 The proposed sale of the Sellers' Shares by the Selling Shareholders to the Proposed Buyer is subject to the rights of pre-emption set out in Article 6, but the sale of the Called Shares by the Called Shareholders shall not be subject to those provisions.

8.7 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the

Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 9.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.

- 8.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 9 in respect of their Shares.
- 8.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with Article 8.7) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this Article 8.

## **9. PROCEEDINGS AT GENERAL MEETINGS**

- 9.1 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.
- 9.2 The quorum for a general meeting will be two members, except in the case of there only being one member in which case the quorum shall be one member.
- 9.3 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.
- 9.4 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.

## **10. WRITTEN RESOLUTIONS**

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

10.1.1 in the case of an ordinary resolution, over 50%; and

10.1.2 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.

- 10.2 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.

## **11. NUMBER OF DIRECTORS**

- 11.1 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. Where two or more directors are appointed the minimum number of directors to form a quorum shall be two.

- 11.2 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 of the members of the Company.

- 11.3 Any director who is willing to act as the chair of their meetings may be appointed to the chair by:-

11.3.1 an ordinary resolution; or

11.3.2 a decision of the directors which is approved in advance in writing by the members,

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

- 11.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors may, with the prior consent of the members, appoint one of themselves to chair it.

## **12. ALTERNATE DIRECTORS**

- 12.1 Any Director ("**Appointer**") may seek to appoint as an alternate Director (or any other person) , as may be 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 Appointer.
- 12.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointer, and approved by the Directors.
- 12.3 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.
- 12.4 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 Appointer.
- 12.5 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 Appointers, are not deemed to be agents of their Appointers 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 Appointer is a member.
- 12.6 A person who is an alternate Director but not a Director:-
- 12.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointer is not participating);
- 12.6.2 may participate in a unanimous decision of the Directors (but only if his Appointer is an Eligible Director in relation to that decision, but does not participate); and
- 12.6.3 shall not be counted as more than one Director for the purposes of Articles 13.6.1 and 13.6.2.
- 12.7 A Director who is also an alternate Director is entitled, in the absence of his Appointer, to a separate vote on behalf of his Appointer, in addition to his own vote on any decision of the Directors (provided that his Appointer 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.
- 12.8 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 Appointer's remuneration as the Appointer may direct by notice in writing made to the Company.
- 12.9 An alternate Director's appointment as an alternate terminates:-
- 12.9.1 when the alternate's Appointer revokes the appointment by notice to the Company in writing specifying when it is to terminate;

12.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointer, would result in the termination of the Appointer's appointment as a Director;

12.9.3 on the death of the alternate's Appointer; or

12.9.4 when the alternate's Appointer's appointment as a Director terminates.

### **13. APPOINTMENT OF DIRECTORS**

13.1 The Company may appoint a person who is willing to act as a Director, either to fill a vacancy or as an additional Director, by an ordinary resolution.

### **14. PROCEEDINGS OF DIRECTORS**

14.1 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.

14.2 The quorum for the transaction of business of the Directors at a meeting shall be two Directors, except in the case of a sole Director, when the quorum shall be one.

14.3 The chairman will not have a casting vote if the votes for and against a proposal or resolution are equal.

### **15. DIRECTORS' CONFLICT OF INTEREST**

15.1 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**").

15.2 Any authorisation under this Article will be effective only if:-

15.2.1 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;

15.2.2 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

15.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

15.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):-



- 15.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
  - 15.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and
  - 15.3.3 be terminated or varied by the Directors at any time.
- 15.4 This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 15.5 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:-
  - 15.5.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
  - 15.5.2 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.
- 15.6 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:-
  - 15.6.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
  - 15.6.2 is not given any documents or other information relating to the Conflict; and
  - 15.6.3 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.
- 15.7 Where the Directors authorise a Conflict:-
  - 15.7.1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
  - 15.7.2 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.
- 15.8 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.

## **16. THE SEAL**

The Company shall not have a seal.

## **17. INDEMNITY**

17.1 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 Accountants) (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:

17.1.1 any liability incurred by him to the Company or any Associated Company of the Company as above defined;

17.1.2 any fine imposed in any criminal proceedings;

17.1.3 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;

17.1.4 any amount for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final;

17.1.5 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

17.1.6 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.

## **18. INSURANCE**

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 Accountants) 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.

## **19. NOTICES**

- 19.1 Subject to Article 20.2, 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.
- 19.2 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 first class or express registered post ("**post**"), or airmail, or by personal delivery, including courier delivery, to the registered address of the member. 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, postage prepaid, evidenced by the relevant proof of posting; (ii) 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; and (iii) 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. 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.
- 19.3 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.
- 19.4 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.

## **20. 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, prorogue the non-exclusive jurisdiction of the courts of Scotland.