

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

MILLER DEVELOPMENTS MANAGEMENT SERVICES LIMITED

(Registered in Scotland No. SC600382)

(the "**Company**")

WRITTEN RESOLUTION

(Circulation Date: 2 December 2019)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "**Act**"), the Resolution set out below has been duly passed as a Special Resolution of the Company on 2 December 2019:

Special resolution

THAT, the articles of association of the Company annexed to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

Signed

Andrew Sutherland

Name

ANDREW SUTHERLAND

Director

**COMPANIES HOUSE
EDINBURGH**

04 DEC 2019

FRONT DESK





SHEPHERD+ WEDDERBURN

Companies Act 2006
Private company limited by shares

ARTICLES OF ASSOCIATION

Miller Developments Management Services Limited

**COMPANIES HOUSE
EDINBURGH**

04 DEC 2019

FRONT DESK

CONTENTS

Clause	Page Number
INTERPRETATION	1
1. Defined terms	1
2. Amendments to the Model Articles	3
DIRECTORS	4
3. Methods of appointing directors	4
4. Calling a directors' meeting	4
5. Directors to take decisions collectively	4
6. Directors' written resolutions	4
7. Quorum for directors' meetings	5
8. Chairman's casting vote at directors' meetings	5
9. Alternates voting at directors' meetings	5
10. Directors' interests	5
11. No restrictions on quorum and voting where a director has an interest	6
12. Appointment and removal of alternate directors	6
13. Rights and responsibilities of alternate directors	6
14. Termination of alternate directorship	6
DECISION-MAKING BY SHAREHOLDERS	7
15. Decisions by sole shareholder	7
16. Notice of general meetings	7
17. Quorum for general meetings	7
18. Class meetings	7
SHARES AND DISTRIBUTIONS	7
19. Company not bound by less than absolute interests	7
20. Transmission of shares	7
21. Transmittees and transferees bound by prior notices	8
22. Procedure for declaring dividends	8
23. Payment of dividends and other distributions	8
24. No interest on distributions	9
25. Unclaimed distributions	9
26. Rights to income	9
27. Non-cash distributions	9
28. Purchase of own shares	9
29. General restrictions on and information relating to transfers of shares	9
30. Permitted transfers of shares	10
31. Deemed Transfer Notices	11
32. Procedure to be followed in respect of pre-emptive offers to transfer Shares	12
ADMINISTRATIVE ARRANGEMENTS	15
33. Change of name	15

Companies Act 2006
Private company limited by shares
ARTICLES OF ASSOCIATION
MILLER DEVELOPMENTS MANAGEMENT SERVICES LIMITED

INTERPRETATION

1. Defined terms

- 1.1 In the Articles, the following words and expressions have the following meanings, unless inconsistent with the context:
- | | |
|-------------------------------------|--|
| "alternate" or "alternate director" | an alternate director appointed in accordance with Article 11 |
| "appointor" | has the meaning given in Article 12 |
| "Articles" | the Company's Articles of Association |
| "A Shares" | 'A' ordinary shares of £1.00 each in the capital of the company |
| "Auditors" | the auditors of the company from time to time |
| "B Shares" | 'B' ordinary shares of £1.00 each in the capital of the company |
| "Excess Sale Shares" | has the meaning given in Article 32.9.2 |
| "Excluded Person" | for so long as any such notice has not lapsed at the time that the relevant offer is made, any person who has given or is deemed to have given a Transfer Notice in respect of all of his shares |
| "Family Trust" | <p>a trust, whether arising under:</p> <ul style="list-style-type: none">(i) a settlement <i>inter vivos</i>; or(ii) a testamentary disposition by whomsoever made; or(iii) on intestacy, <p><i>in respect of which no beneficial interest in shares is for the time being vested in any person other than the settlor or a Privileged Relation of the settlor and no power of control over the voting powers conferred by such shares is for the time being exercisable by or subject to the consent of any person other than the trustees of such trust or the settlor or a Privileged Relation of the settlor</i></p> |
| "Independent Expert" | a valuations practitioner in an internationally recognised professional services firm (acting as an expert and not as an arbitrator or adjudicator and, accordingly, the Arbitration Act 1996/ the Arbitration (Scotland) Act 2010 or any statutory re-enactment or modification thereof for the time being in force shall not apply) |
| "Market Value" | has the meaning given in Article 32.6 |
| "Member of the Same Group" | <p>as the case may be:</p> <ul style="list-style-type: none">(i) as regards any company, a company which is for the time being a subsidiary undertaking or parent undertaking of that company or a subsidiary undertaking of any such parent undertaking; and(ii) as regards any partnership, any member or |

	partner (whether limited or general or otherwise) of that partnership
"Model Articles"	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
"Notice Date"	the date on which a Transfer Notice is either given in accordance with Article 32.1 or shall be deemed to have been given pursuant to any of the provisions of these Articles
"Offer"	an offer on <i>bona fide</i> arm's length terms for the entire issued and to be issued share capital of the company not already held by the Offeror (or any of them)
"Offeror"	the person or persons acting in concert making an Offer
"Permitted Transfer"	a transfer of shares permitted by Article 30.1
"Permitted Transferee"	any person who receives shares pursuant to a Permitted Transfer
"Permitted Transferor"	any person who transfers shares pursuant to Permitted Transfer
"Permitted Transfer Share"	<p>any share transferred pursuant to a Permitted Transfer and any other share held by a Permitted Transferee, save for:</p> <ul style="list-style-type: none"> (i) any share which the directors determine was acquired other than by reason (directly or indirectly) of the relevant Permitted Transferee's relationship with the relevant Permitted Transferor; and (ii) any share which the relevant Permitted Transferee acquired other than by reason (directly or indirectly) of exercising a right attaching to a share transferred pursuant to a Permitted Transfer from the relevant Permitted Transferor
"Prescribed Period"	<p>the period during which Sale Shares have to be offered for sale and can be accepted by shareholders or other persons selected or approved by the directors (in accordance with these Articles), being the period commencing on:</p> <ul style="list-style-type: none"> (iii) the Notice Date, if the Prescribed Price has been agreed by such time; (iv) the date the Prescribed Price is determined by the Auditors, if the price has to be determined by the Auditors in accordance with Article 32.6; or (v) if applicable, the date the Prescribed Price is determined by an Independent Expert appointed pursuant to Article 32.7 <p>and, in each case, ending 42 days thereafter (as the case may be)</p>
"Prescribed Price"	the price determined in accordance with Article 32.5
"Privileged Relation"	<p>in relation to an individual shareholder or deceased or former individual shareholder:</p> <ul style="list-style-type: none"> (i) the husband or wife or the widower or widow or civil partner of such shareholder; and (ii) all the children and lineal descendants in direct

line of such shareholder (including, without limitation, any step-child or adopted child)

- | | |
|-----------------------------|---|
| "Proportionate Entitlement" | has the meaning give in Article 32.8 |
| "Proposing Transferor" | any person <i>proposing or required to transfer any shares</i> , other than pursuant to a transfer permitted by Article 30 |
| "Purchaser" | a shareholder or other person willing to acquire any Sale Shares in accordance with Article 32 |
| "Sale Shares" | has the meaning given in Article 32.1.1 |
| "section" | the relevant <i>section of the Companies Act 2006</i> unless the context provides otherwise |
| "Shareholder Majority" | members holding a majority of the voting rights in the company |
| "Total Transfer Condition" | a Transfer Notice which specifies, in accordance with Article 32.1, that the Proposing Transferor is only willing to transfer all (and not some only) of the Sale Shares specified in the Transfer Notice |
| "Transfer Notice" | a notice given in accordance with Article 32.1 that a shareholder desires to transfer all or some of his shares or any such notice which is deemed to have been given pursuant to these Articles |
| "Unsold Sale Shares" | has the meaning given in Article 32.14 |
| "voting rights" | has the meaning given in paragraph 2 of Schedule 6 of the Companies Act 2006 |
- 1.2 Unless the context otherwise requires, other words or expressions contained in these Articles:
- 1.2.1 bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Company; and
- 1.2.2 words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles.
- 1.3 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- 1.3.1 any subordinate legislation from time to time made under it; and
- 1.3.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.4 A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise.

2. Amendments to the Model Articles

- 2.1 The regulations in the Model Articles shall apply to the Company except where excluded or modified by these Articles.
- 2.2 Articles 7, 8, 9(3), 9(4), 11, 13, 14, 17(1), 23, 29, 30 to 35 (inclusive) and 38 of the Model Articles shall not apply to the Company.
- 2.3 The Model Articles shall, in their application to the Company, be amended as follows:
- 2.3.1 in Article 4, by the insertion of "(3) No alteration of the Articles invalidates anything which the directors have done before such alteration.";
- 2.3.2 in Article 18, by the insertion of "(g) that person has for more than 6 consecutive months been absent without permission of the directors from directors' meetings held during that period and the directors resolve that that person should cease to be a director; or (h) the Company receives a written notice to such effect from a member or members holding a majority of the voting rights in the company.";
- 2.3.3 in Article 20, by the insertion of the words "(including alternate directors)" after the words "reasonable expenses which the directors";

- 2.3.4 in Article 42, by the insertion of the words "The voting entitlements of shareholders are subject to any rights or restrictions attached to the shares held by them, whether or not such rights or restrictions are set out in the Articles" at the end of that Article;
- 2.3.5 in Article 27(2)(b), by the deletion of the word "had" after the word "holder" and the insertion of the words "from whom the transmittee derived such entitlement";
- 2.3.6 in Article 27(3), by the deletion of the words "by reason of the holder's death or bankruptcy or otherwise," and in their place the insertion of the words "by reason of the event which gave rise to the transmission,";
- 2.3.7 in Article 34(1), by the deletion of the words "on the recommendation of the directors" and replacing them with "or by a decision of the directors"; and
- 2.3.8 in Article 49(1), by the addition of the words "or a committee of the directors authorised by the directors" at the end of the paragraph.

DIRECTORS

3. Methods of appointing directors

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

- 3.1 by ordinary resolution; or
- 3.2 by a decision of the directors; or
- 3.3 by written notice submitted to the Company from a member or members holding a majority of the voting rights in the company.

4. Calling a directors' meeting

- 4.1 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 4.2 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

5. Directors to take decisions collectively

- 5.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or in the form of a directors' written resolution in accordance with Article 6.
- 5.2 Subject to the Articles, each director participating in a directors' meeting who holds shares in capital of the Company shall be entitled to vote. A director who does not hold shares in the capital of the Company shall not have the right to vote at either a directors' meeting or on a directors' written resolution.
- 5.3 If:
 - 5.3.1 the Company only has one director; and
 - 5.3.2 no provision of the Articles requires the Company to have more than one director to form a quorum for directors' meetings,
 the general rule in Article 5.1 does not apply, and the director may take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

6. Directors' written resolutions

- 6.1 Any director may propose a directors' written resolution by giving notice of the proposed resolution in writing to each director.
- 6.2 Notice of a proposed directors' written resolution must set out the terms of the proposed resolution.
- 6.3 A proposed directors' written resolution is adopted when all the directors who would have been entitled to vote on the resolution, and have their vote counted, at a directors' meeting have signed one or more copies of it or otherwise indicated their agreement in writing, provided that those directors who have signed it or otherwise indicated their agreement in writing would have formed a quorum at such a meeting.

- 6.4 Once a directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.
- 6.5 A written resolution signed by an alternate director need not also be signed by or agreed to by his appointor.

7. Quorum for directors' meetings

- 7.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 7.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, unless otherwise fixed, and subject to article 7.3, both Andrew Sutherland and David Milloy should be in attendance in order for a directors' meeting to be quorate.
- 7.3 The Company shall have at least one director. For so long as the Company has only one director, the sole director shall form a quorum.

8. Chairman's casting vote at directors' meetings

If the numbers of votes by directors who are entitled to vote, and have their vote counted, at a directors' meeting for and against a proposal are equal, the chairman or other director chairing the meeting shall not have a casting vote.

9. Alternates voting at directors' meetings

A director who is also an alternate director has an additional vote on behalf of each appointor who is:

- 9.1 not participating in a directors' meeting; and
- 9.2 would have been entitled to vote if they were participating in it.

10. Directors' interests

- 10.1 For the purposes of this Article:
 - 10.1.1 an interest of a person who is connected (within the meaning of section 252) with a director is treated as an interest of the director; and
 - 10.1.2 in the case of an alternate director, the interest of his appointor is treated as an interest of the alternate director in addition to any interest, which the alternate director may have.
- 10.2 If he has declared his interest in accordance with the Companies Acts, a director may:
 - 10.2.1 be a party to, or in any way interested, whether directly or indirectly, in any contract, arrangement or transaction to which the Company is a party, or in which the Company is in any way interested, whether directly or indirectly;
 - 10.2.2 hold and be remunerated in respect of any office (other than the office of auditor of the Company) or employment under the Company or any other undertaking in which the Company is in any way interested;
 - 10.2.3 act (or any firm of which he is a shareholder, partner or employee may act) in a professional capacity (other than the office of auditor) for the Company or any such other undertaking and be remunerated for so acting;
 - 10.2.4 act as a director or other officer of, or be otherwise interested in, any undertaking promoted by the Company; and
 - 10.2.5 not be held accountable to the Company for any interest, remuneration, profit or other benefit which he (or a person connected with him) derives from any matter permitted by this Article and no such contract, transaction or arrangement is liable to be avoided on the grounds of any such interest or benefit.
- 10.3 For the purposes of section 175, the directors have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- 10.4 Any authorisation of a matter under this Article shall be subject to such conditions, limitations and/or terms as the directors may decide, whether at the time such authorisation is given or subsequently, and may be varied or revoked by the directors at any time and at their absolute

discretion. A director shall comply with any obligations imposed on him by the directors pursuant to any such authorisation.

- 10.5 A director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the directors under Article 10.3 and any such related contract, transaction or arrangement is not liable to be avoided on the grounds of any such benefit.

11. No restrictions on quorum and voting where a director has an interest

- 11.1 Save as provided in this article, provided that a director has declared his interest in accordance with the Companies Acts, he shall be entitled to vote on any resolution in respect of any contract, transaction or arrangement, or any other proposal, in which he (or a person connected with him) is interested.
- 11.2 A director shall not be counted in a quorum at a meeting of the directors in relation to any resolution on which he is not entitled to vote.
- 11.3 If any question arises at any meeting as to the entitlement of any director to vote, and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling (in relation to any director other than himself) is final and conclusive unless the interest has not been fairly disclosed. If any such question arises in respect of the chairman, it shall be decided by the directors (other than the chairman) and their ruling is final and conclusive unless the interest has not been fairly disclosed.

12. Appointment and removal of alternate directors

- 12.1 Any director (the "**appointor**") (other than an alternate director) may appoint any other director or any other person approved by resolution of the directors, to act as his alternate and may remove from office an alternate so appointed.
- 12.2 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.
- 12.3 If the company has only one member, the appointment of an alternate director shall always be subject to the prior approval of that sole member.

13. Rights and responsibilities of alternate directors

- 13.1 An alternate director has the same rights, in relation to any directors' meeting or directors' written resolution, as the alternate's appointor.
- 13.2 Except as the Articles specify otherwise, alternate directors:
- 13.2.1 are deemed for all purposes to be directors;
 - 13.2.2 are liable for their own acts and omissions;
 - 13.2.3 are subject to the same restrictions as their appointors; and
 - 13.2.4 are not deemed to be agents of or for their appointors.
- 13.3 A person who is an alternate director but not a director:
- 13.3.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating); and
 - 13.3.2 may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).

No alternate may be counted as more than one director for such purposes.

- 13.4 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.

14. Termination of alternate directorship

An alternate director's appointment as an alternate terminates:

- 14.1 when the alternate's appointor revokes the appointment by notice to the Company in writing;

- 14.2 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;
- 14.3 on the death of the alternate's appointor;
- 14.4 when the alternate's appointor's appointment as a director terminates; or
- 14.5 when the company receives a written notice to such effect from a member or members holding a majority of the voting rights in the company.

DECISION-MAKING BY SHAREHOLDERS

15. Decisions by sole shareholder

At any time when the Company has only one shareholder, any decision which may be taken by the Company in general meeting may be made by that shareholder and is as valid as if agreed by the Company in general meeting. Unless such decision is made by way of a written resolution, the sole shareholder shall provide the Company with a written record of the decision. Failure to do so will not affect the validity of any such decision and a person dealing with the Company is not concerned to inquire whether a written record has been provided to the Company in accordance with this Article.

16. Notice of general meetings

- 16.1 Notice of general meetings need not be given to shareholders who, under the provisions of these Articles or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company.
- 16.2 A shareholder present, in person or by proxy, at any general meeting or meeting of the holders of any class of shares shall be deemed to have been given, and received, the relevant notice of the meeting.

17. Quorum for general meetings

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

18. Class meetings

The provisions of the Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of shares.

SHARES AND DISTRIBUTIONS

19. Company not bound by less than absolute interests

- 19.1 Except as required by law, the Company is not bound by or compelled to recognise (even when having notice) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except as provided by law) any other right in respect of any share, except an absolute right of the holder to the whole of the share or, in the case of a share warrant, to the bearer of the warrant for the time being.
- 19.2 The Company is entitled, but is not bound, to recognise in such manner and to such extent as it may think fit any trusts in respect of any of the shares of the Company. Notwithstanding any such recognition, the Company is not bound to see to the execution, administration or observance of any trust, whether express, implied or constructive, in respect of any shares of the Company and is entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were the absolute holders. For the purpose of this Article, "trust" includes any right in respect of any shares of the Company other than an absolute right of the holder of the share for the time being or such other rights in the case of transmission as are mentioned in these Articles.

20. Transmission of shares

- 20.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

- 20.2 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
- 20.2.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person; and
 - 20.2.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder from whom the transmittee derived such entitlement.
- 20.3 But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the event which gave rise to the transmission, unless they become the holders of those shares

21. Transmittees and transferees bound by prior notices

If a notice is given to a shareholder in respect of shares and a transmittee (or a transferee of such transmittee pursuant to Article 28(2) of the Model Articles) is entitled to those shares, the transmittee (or the transferee) is bound by the notice if it was given to the shareholder before the transmittee's (or transferee's) name has been entered in the register of shareholders.

22. Procedure for declaring dividends

- 22.1 The company may by ordinary resolution declare dividends and the directors may decide to pay interim dividends.
- 22.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 22.3 No dividend may be declared or paid unless it is in accordance with members' respective rights.
- 22.4 Unless the members' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each member's holding of shares of the class in respect of which the dividend is paid on the date of the resolution or decision to declare or pay it.
- 22.5 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 22.6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 22.7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

23. Payment of dividends and other distributions

- 23.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- 23.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 23.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - 23.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - 23.1.4 any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- 23.2 In the Articles, the "**distribution recipient**" means, in respect of a share in respect of which a dividend or other sum is payable:
- 23.2.1 the holder of the share; or

- 23.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
- 23.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

24. No interest on distributions

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

- 24.1 the terms on which the share was issued; or
- 24.2 the provisions of another agreement between the holder of that share and the company.

25. Unclaimed distributions

- 25.1 All dividends or other sums which are:
 - 25.1.1 payable in respect of shares; and
 - 25.1.2 unclaimed after having been declared or become payable, may be invested or otherwise made use of by the directors for the benefit of the company until claimed.
- 25.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.
- 25.3 If:
 - 25.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment; and
 - 25.3.2 the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

26. Rights to income

The A Shares and B Shares entitle their holders to participate in any dividend declared or paid as according to a decision of the directors, in their sole discretion.

27. Non-cash distributions

- 27.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution or by a decision of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).
- 27.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
 - 27.2.1 fixing the value of any assets;
 - 27.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
 - 27.2.3 vesting any assets in trustees.

28. Purchase of own shares

Subject to the Companies Act 2006 but without prejudice to any other provisions of these Articles, the Company may purchase its own shares out of capital up to an aggregate amount in any financial year not exceeding the lower of:

- 28.1 £15,000; and
- 28.2 the nominal value of 5% of the Company's fully paid share capital as at the beginning of that financial year.

29. General restrictions on and information relating to transfers of shares

- 29.1 No shareholder will transfer any share and the directors will not register any transfer of any share except for:

- 29.1.1 a transfer permitted by Article 30; or
- 29.1.2 a transfer made in accordance with the provisions of Article 32.
- 29.2 The directors may, as a condition to the registration of any transfer of shares, require the transferee to execute and deliver to the company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the shareholders and the company in such form as the directors may reasonably require (but not so as to oblige the transferee to incur any obligations or liabilities which are greater than those of the proposed transferor under any such agreement or document) and if any such condition is imposed the transfer may not be registered unless such deed has been executed and delivered by the transferee.
- 29.3 To enable the directors to determine whether or not there has been any transfer of shares in breach of these Articles the directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or such other person as the directors may reasonably believe to have information relevant to such purpose, to furnish to the company such information and evidence as the directors may think fit regarding any matter which they deem relevant to such purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares registered in the holder's name. Failing such information or evidence being furnished to enable the directors to determine to their reasonable satisfaction that no such breach has occurred, or that as a result of such information and evidence the directors are reasonably satisfied that such breach has occurred, the directors shall forthwith notify the holder of such shares in writing of that fact whereupon:
- 29.3.1 all the shares shall cease to confer upon the holder thereof (or his proxy or representative) any rights:
- (i) to receive notice of, attend or vote at any general meeting of the company; or
 - (ii) to receive dividends or other distributions; and
- 29.3.2 the holder may be required at any time following such notice to transfer some or all of its shares to such person(s) at such price as the directors may require by notice in writing to such holder.
- 29.4 The rights referred to in Article 29.3.1 above may be reinstated by the directors with the consent of a Shareholder Majority or, if earlier, upon the completion of a transfer of those shares.
- 29.5 If a shareholder purports to transfer a share otherwise than in accordance with these Articles, he will be deemed immediately to have served a Transfer Notice in respect of all shares held by him (unless a Shareholder Majority agrees in writing to waive this provision in respect of the relevant purported transfer in which case the purported transfer will not be registered and no Transfer Notice will be deemed to have been served by the shareholder in question).

30. Permitted transfers of shares

The following transfers of shares may at any time and from time to time be made by any shareholder without first complying with the provisions of Articles 32:

- 30.1 a transfer of shares to a Member of the Same Group as the shareholder;
- 30.2 a transfer of shares to a Privileged Relation of such shareholder;
- 30.3 a transfer of shares to trustees of a Family Trust of such shareholder and, by the trustees of a Family Trust to any new trustees of or to the beneficiaries of that trust;
- 30.4 a transfer of shares to Mayol Limited;
- 30.5 a transfer of shares by any person to whom those shares were transferred under any of Articles 30.1 to 30.3 back to the transferor or to any person to whom the transferor could have transferred those shares pursuant to any of Articles 30.1 to 30.3;
- 30.6 a transfer of shares by the legal representative of a deceased shareholder to any person entitled to those shares under the deceased shareholder's will or applicable laws as to intestacy, provided that:
 - (i) the person so entitled to those shares is a Privileged Relation or trustee of a Family Trust of such deceased shareholder; and

- (ii) the transfer is made within the period of twelve months following the death of the shareholder in question.

31. Deemed Transfer Notices

- 31.1 If a Permitted Transferee pursuant to Article 30.1 ceases to qualify as a Member of the Same Group as the Permitted Transferor, then such Permitted Transferee:
- 31.1.1 shall promptly notify the directors in writing; and
 - 31.1.2 may transfer pursuant to Article 30.5 all of the relevant Permitted Transfer Shares to the relevant Permitted Transferor or, at the relevant Permitted Transferor's election, to another person who would qualify as a Permitted Transferee of the relevant Permitted Transferor. In the event that such transfer has not been completed within the period of 28 days commencing on the date on which the relevant Permitted Transferee so ceased to qualify, then:
 - (i) a Transfer Notice shall be deemed to have been given in respect of any relevant Permitted Transfer Shares which have not been so transferred; and
 - (ii) such remaining relevant Permitted Transfer Shares may not be transferred pursuant to Article 30.
- 31.2 If a Permitted Transferee pursuant to Article 30.2 or 30.3 ceases to qualify as a Privileged Relation (whether by divorce or otherwise) or Family Trust of the relevant Permitted Transferor (as the case may be), then such Permitted Transferee:
- 31.2.1 shall promptly notify the directors in writing; and
 - 31.2.2 may transfer pursuant to Article 30.5 all of the relevant Permitted Transfer Shares to the relevant Permitted Transferor or, at the relevant Permitted Transferor's election, to a another person who qualifies as a Permitted Transferee of the relevant Permitted Transferor. In the event that such transfer has not been completed within the period of 28 days commencing on the date on which the relevant Permitted Transferee so ceased to qualify, then:
 - (i) a Transfer Notice shall be deemed to have been given in respect of any relevant Permitted Transfer Shares which have not been so transferred; and
 - (ii) such remaining relevant Permitted Transfer Shares may not be transferred pursuant to Article 30.
- 31.3 A Transfer Notice shall be deemed to have been given:
- 31.3.1 by the legal representative of a deceased shareholder in the event that any share remains registered in the name of that deceased shareholder at the expiry of the period referred to in Article 30.6. In this case, the Transfer Notice shall be deemed to have been given on the expiry of that period and shall be in respect of all shares registered in the name of that deceased shareholder at such time;
 - 31.3.2 in respect of any shares registered in the name of a deceased shareholder in the event that he / she has no legal representative at the expiry of the period referred to in Article 30.6. In this case, the Transfer Notice shall be deemed to have been given on the expiry of that period and shall be in respect of all shares registered in the name of that deceased shareholder at such time;
 - 31.3.3 by the liquidator or administrator or receiver of any shareholder who becomes insolvent. In this case, the Transfer Notice shall be deemed to have been given on the date of appointment of the liquidator or administrator or receiver (as the case may be) and shall be in respect of all shares held by the insolvent shareholder; and
 - 31.3.4 by the trustee in bankruptcy of any shareholder who becomes bankrupt. In this case, the Transfer Notice shall be deemed to have been given on the date of the making of the bankruptcy order and shall be in respect of all shares held by the bankrupt shareholder.
- 31.4 Notwithstanding any other provision of these Articles, any person deemed to have served a Transfer Notice pursuant to this Article 31 shall not have any rights to receive notice of, attend or vote at any general meeting of the company, provided always that such restrictions shall cease to apply to the relevant shares upon the completion of a transfer of those shares to a party who is not a Permitted Transferee of the relevant transferor.

- 31.5 Any or all of the provisions of this Article 31 may be set aside with the written consent of a Shareholder Majority.

32. Procedure to be followed in respect of pre-emptive offers to transfer Shares

- 32.1 A *Proposing Transferor* shall be required before effecting, or purporting to effect, a transfer of Shares, to give a Transfer Notice to the company. The Transfer Notice shall:
- 32.1.1 state the number and class of the shares which he intends to transfer (the "**Sale Shares**");
 - 32.1.2 state the identity of the person (if known) to whom he wishes to transfer the Sale Shares and (if known) the Prescribed Price (as determined in accordance with Article 32.5.2);
 - 32.1.3 state whether or not the Transfer Notice is subject to a Total Transfer Condition (in the absence of any such stipulation it will be deemed not to be subject to such a condition); and
 - 32.1.4 include such other details of the proposed transfer as the directors may in their absolute discretion determine.
- 32.2 The Transfer Notice once given may not be amended or withdrawn without the consent of the directors. A Transfer Notice deemed to have been given may not be amended or withdrawn.
- 32.3 Notwithstanding the other provisions of this Article 32, if the Transfer Notice contains a Total Transfer Condition the company may not make any allocation of Sale Shares unless and until it has found buyers for all of the Sale Shares specified in the Transfer Notice.
- 32.4 A Transfer Notice (or a deemed Transfer Notice) shall constitute the company as the *Proposing Transferor's agent for the sale of the legal title to, and entire beneficial interest in, the Sale Shares and all rights attached to the Sale Shares, at the Prescribed Price during the Prescribed Period to any shareholder or to any other person selected or approved by the directors on the basis set out in the following provisions of these Articles.*
- 32.5 The Prescribed Price shall be whichever is applicable of:
- 32.5.1 the cash price per Sale Share agreed not more than one month before the Notice Date between the *Proposing Transferor* and the directors as representing the market value of the Sale Shares (less the amount per Sale Share of any dividend or other distribution declared or made after such agreement and prior to the date on which the Transfer Notice was given);
 - 32.5.2 if no such agreement referred to in Article 32.5.1 was reached before the Notice Date, the cash price contained in a *bona fide* offer received from an arm's length third party by the *Proposing Transferor* not more than one month before the Notice Date and which remains open for acceptance in respect of the Sale Shares until at least seven days after the last date for compliance with the pre-emption provisions contained in this Article 32 (but subject to the right of the directors to satisfy themselves that such offer is *bona fide*, for the consideration stated in the offer without any deduction, rebate or allowance whatsoever to the purchaser or other arrangement or agreement and so open for acceptance). If the cash price offered by the third party is an alternative (or an addition) to non-cash consideration which is also offered, then this Article shall not apply to determine the Prescribed Price and Article 32.5.3 shall apply for that purpose; or
 - 32.5.3 if neither Article 32.5.1 nor 32.5.2 applies, the cash price determined in accordance with Article 32.6 by the Auditors or, if Article 32.7 applies, by an Independent Expert appointed pursuant to Article 32.7.
- 32.6 If the price is to be determined by the Auditors following the giving of the Transfer Notice, the directors shall refer the matter to the Auditors and the Auditors shall determine and certify to the directors the amount which represents in their opinion the fair market value (the "**Market Value**") of each Sale Share as at the Notice Date. In determining such amount:
- 32.6.1 it shall be assumed that the sale is between a willing buyer and a willing seller by arm's length private treaty for cash payable on completion;
 - 32.6.2 no addition or subtraction of any premium or discount arising in relation to the size of the holdings to be valued shall be applied; and

- 32.6.3 no addition or subtraction of any premium or discount arising in relation to any restrictions on the transferability of the Sale Shares shall be applied,
- but the Auditors shall otherwise have regard to such criteria as they shall regard as appropriate for the purpose. In so reporting, the Auditors shall be considered to be acting as experts and not as arbitrators or adjudicators and, accordingly, the Arbitration (Scotland) Act 2010 or any statutory re-enactment or modification thereof for the time being in force shall not apply. The company will pay all costs of obtaining the Auditors' report.
- 32.7 If either the Auditors decline to act in respect of any such referral or the Proposing Transferor disputes the Auditors' determination of the Market Value, the matter will be determined by an Independent Expert (nominated by agreement between the Proposing Transferor and the directors or, in the event of disagreement as to nomination, by the President for the time being of the Institute of Chartered Accountants of Scotland). Such Independent Expert shall be engaged by the company and shall act in accordance with the guidelines prescribed in Article 32.6. In so reporting, the Independent Expert shall be considered to be acting as an expert and not as an arbitrator or adjudicator and, accordingly, the Arbitration Act 1996 / the Arbitration (Scotland) Act 2010 or any statutory re-enactment or modification thereof for the time being in force shall not apply. The company will pay all costs of obtaining the Independent Expert's report, save where:
- 32.7.1 the Proposing Transferor disputed the Auditors' determination of Market Value; and
- 32.7.2 the Market Value determined by the Independent Expert is either less than or not more than 10% higher than the Auditors' determination of Market Value,
- in which case the Proposing Transferor shall reimburse the company the costs of obtaining such Independent Expert's report and the directors may resolve not to register any transfer of Shares by the Proposing Transferor until the company is so reimbursed. The report of such Independent Expert shall be final and binding except in the case of fraud or manifest error.
- 32.8 All Sale Shares shall by written notice be offered by the Company promptly following the commencement of the Prescribed Period to each shareholder, other than an Excluded Person, for purchase at the Prescribed Price on a *pari passu* basis and *pro rata* according to the numbers of shares held by them respectively (as nearly as may be without involving fractions) (his "**Proportionate Entitlement**"). The Proportionate Entitlement of each member to whom the offer is made shall be increased to take account of the exclusion of any Excluded Persons from the offer. If the directors consider that the laws of any jurisdiction would require the company to take any action in connection with the offer of the Sale Shares (including the publication of a prospectus or the registration of the Sale Shares under any relevant laws of such jurisdiction or with any government or regulatory authority), then the directors shall be entitled (acting in their absolute discretion) to devise such other method of offering such Sale Shares which does not require such action to be taken. For the avoidance of doubt, such other method may involve:
- 32.8.1 offering the Sale Shares to a limited number of such shareholders selected by such method as the directors shall in their discretion think fit; and/or
- 32.8.2 excluding any members in any such jurisdiction from the offer.
- In any such case, the Proportionate Entitlement of each member to whom the offer is made shall be increased to take account of the exclusion of certain members from the offer.
- 32.9 Each such offer shall stipulate:
- 32.9.1 a period of time being not less than 14 days or more than 21 days during which it must be accepted in writing or in default will lapse as regards that offeree; and
- 32.9.2 that any shareholder who desires to purchase Sale Shares in excess of his Proportionate Entitlement (such Shares being "**Excess Sale Shares**") shall in his acceptance state how many Excess Sale Shares he wishes to purchase.
- 32.10 At the expiration of such offer, the directors shall allocate the Sale Shares in the following manner:
- 32.10.1 to each Purchaser there shall be allocated his Proportionate Entitlement or such lesser number of the Sale Shares for which he may have applied;
- 32.10.2 if the number of Sale Shares which remain unallocated after the application of Article 32.10.1 is less than the aggregate number of Excess Sale Shares for which applications have been made, the unallocated Sale Shares shall be allocated (as

nearly as may be) to each Purchaser in the proportions which the applications for Excess Sale Shares bear to one another; and

- 32.10.3 if the number of Sale Shares which remain unallocated equals or is greater than the aggregate number of Shares for which applications for Excess Sale Shares have been made, each Purchaser who has applied for Excess Sale Shares shall be allocated the number of Excess Sale Shares for which he applied.
- 32.11 Within seven days of the share allocations under Article 32.10 being made, the company shall notify the Proposing Transferor and all Purchasers of the details of the acceptances and applications which have been made and of the allocations made as between Purchasers under this Article 32. Each Purchaser shall be bound by the terms of any acceptance and application made by him to purchase in accordance with this Article such number of Sale Shares as are specified therein at the Prescribed Price.
- 32.12 Any Sale Shares not purchased by shareholders pursuant to the foregoing provisions of these Articles by the end of the period stipulated for acceptance by the directors may be offered by the directors to such persons as they may think fit for purchase at the Prescribed Price before the end of the Prescribed Period.
- 32.13 The Proposing Transferor shall be bound, upon payment of the Prescribed Price, to transfer the Sale Shares, which have been allocated pursuant to this Article 32, to the relevant Purchasers determined in accordance with this Article 32 fully paid with a warranty as to good and unencumbered title. If, after becoming so bound, the Proposing Transferor makes default in transferring any of the Sale Shares, the company may receive the purchase money and the Proposing Transferor shall be deemed to have appointed any one director or the secretary of the company as his agent to execute a transfer of Sale Shares to the Purchaser and upon execution of such transfer the company shall hold the purchase money in trust for the Proposing Transferor. The receipt of the company for the purchase money shall be a good discharge to each Purchaser and, after his name has been entered in the register of members of the company, no person shall question the validity of the proceedings. It shall be no impediment to registration of shares under this Article that no share certificate (or lost share certificate indemnity) has been produced.
- 32.14 If the company has not within the Prescribed Period found Purchasers willing to purchase all of the Sale Shares or decides and gives notice to the Proposing Transferor that it has no prospect during the Prescribed Period of finding Purchasers for all of the Sale Shares (the Sale Shares for which Purchasers have not been found or, if the Transfer Notice contained a Total Transfer Condition, all of the Sale Shares being the "**Unsold Sale Shares**") the Proposing Transferor shall at any time during a period of 90 days commencing on the day after the end of the Prescribed Period be entitled to transfer the Unsold Sale Shares to any person named in the Transfer Notice (or where no person was named in the Transfer Notice, to any person) by way of a *bona fide* sale on arm's length terms at any cash price which is not less than the Prescribed Price (after deducting, where appropriate, any dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the Proposing Transferor). Any such sale is to be conditional upon:
- 32.14.1 if applicable, compliance with the provisions of Article 29;
- 32.14.2 if a Total Transfer Notice was given, all the Unsold Sale Shares being included in the sale;
- 32.14.3 the directors being satisfied that the Unsold Sale Shares are being transferred under this Article pursuant to a sale on *bona fide* arm's length terms for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the proposed purchaser; and
- 32.14.4 the prior written consent of all other shareholders in the Company to the proposed purchaser being obtained.
- 32.15 If any of the conditions set out in Article 32.14 are not fulfilled, then the directors may refuse to register the instrument of transfer or impose further conditions to be fulfilled by the Proposing Transferor before doing so.
- 32.16 Immediately following the completion of the operation of the provisions of Articles 32.1 to 32.14, the relevant Transfer Notice shall lapse.
- 32.17 Any or all of the provisions of this Article 32 may be set aside with the consent of a Shareholder Majority.

- 32.18 Where the Purchaser is not an existing shareholder of the Company, the consent of the other shareholders in the Company shall be required prior to the directors registering the transfer of any Sale Shares to the Purchaser pursuant to this Article 27.
- 32.19 *To the extent that the consent to the transfer of the Sale Shares pursuant to Article 27.18 is not received by all the existing shareholders of the Company, the transfer shall not proceed. This this case, the Proposing Transferor can chose either to:*
- 32.19.1 retain the Sale Shares; or
- 32.19.2 request that the directors wind up the Company.
- 32.20 Where the directors of the Company receive a request pursuant to Article 27.19.2 above, they shall begin proceedings to wind up the Company in the most suitable manner in accordance with the Articles and they shall notify the other shareholder of the Company of this fact.

ADMINISTRATIVE ARRANGEMENTS

33. Change of name

The Company may change its name by decision of the directors.