

**Celtic Renewables Limited (the "Company")**

**Registered in Scotland Number: SC394571**

**Companies Act 2006**

**Written Record of Members' Written Resolution**


**Circulation Date: 3<sup>rd</sup> November 2011**

On the 3<sup>rd</sup> day of November 2011, the following RESOLUTION IN WRITING (such Resolution to have effect as a Special Resolution) was duly passed by all of the members of the Company entitled to attend and vote at a general meeting of the Company: -

**SPECIAL RESOLUTION**

THAT the Company adopt new articles of association in the form attached hereto in substitution for and to the exclusion of the existing articles of association of the Company.

For and on behalf of  
MBM Secretarial Services Limited

  
Director and duly authorised attorney

\_\_\_\_\_  
AUTHORISED SIGNATORY  
FOR AND ON BEHALF OF  
**CELTIC RENEWABLES LIMITED**  
ON THE 3<sup>rd</sup> DAY OF NOVEMBER 2011

WEDNESDAY



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09/11/2011

COMPANIES HOUSE

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WARNING: This document has been prepared by MBM Commercial LLP on behalf of Celtic Renewables Limited. You should take independent legal and tax advice before subscribing for or purchasing any shares in Celtic Renewables Limited because all such shares issued or transferred to you will be subject to the terms of this document.



Signature of chairman

3<sup>RD</sup> NOV 2011

Date of Signature

## ARTICLES of ASSOCIATION

### CELTIC RENEWABLES LIMITED

(Registered Number SC394571)

(ADOPTED 3 November 2011)

**MBM COMMERCIAL LLP**

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ARTICLES OF ASSOCIATION  
of

**CELTIC RENEWABLES LIMITED**

(Registered Number SC394571)

A PRIVATE LIMITED COMPANY

(ADOPTED 3 November 2011)

**DEFINITIONS AND INTERPRETATION.**

1. In these Articles:

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

"the Act"	means the Companies Act 2006;
"Approved transfer"	means the transfer of up to 1,000 ordinary shares of £0.01 each from time to time by (i) the Celtic Renewables EBT to employees, directors and/or consultants of the Company or its subsidiaries from time to time or (ii) by such employees back to the Celtic Renewables EBT as a result of the operation of Article 13;
"Articles"	means these articles of association constituted by the following regulations together with any duly authorised amendments or alterations from time to time, and the term "Article" shall be a reference to a regulation contained in these Articles;
"Acting in Concert"	shall have the meaning given to it in the City Code on Takeovers and Mergers from time to time;
"Auditors"	means the auditors of the Company from time to time; unless auditors are not required pursuant to the Act and have not been appointed, in which case such reference shall instead mean the accountants of the Company from time to time;
"Authorised Amount"	means £100 divided into 10,000 ordinary shares of £0.01 each;
"Board"	means the board of Directors of the Company from

time to time;

"Celtic Renewables EBT"	means the Celtic Renewables Employee Benefit Trust, established by deed of trust on or before the date of adoption of these Articles and care of MBM Commercial LLP with their registered office at 5 <sup>th</sup> Floor, 125 Princes Street, Edinburgh, EH2 4AD;
"Circulation Date"	means the earliest date on which a proposed written resolution is communicated in hard copy or electronic form (including without limitation by electronic mail or by publication on a website) to every eligible member who is entitled to receive such proposed written resolution;
"Company"	means Celtic Renewables Limited, a private limited company incorporated under the Companies Acts, registered in Scotland under number SC394571 and having its registered office at 5 <sup>th</sup> Floor, 125 Princes Street, Edinburgh, EH2 4AD;
"Compulsory Transferor"	means a member (including any joint holder) required to transfer his shares in accordance with Article 13.1 and "Compulsory Transfer" shall be construed accordingly;
"Connected Persons"	shall have the meaning ascribed to it in Section 1122 of the Income and Corporation Tax Act 2010;
"Control Percentage"	means any percentage exceeding 50%;
"Controlling Interest"	means an interest in the Control Percentage or more of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to attend and vote at all general meetings;
"Deemed Transfer Notice"	shall have the meaning given to it in Article 13.1;
"Director"	means a director of the Company or any alternate director duly appointed in accordance with these Articles;
"Eligible Director"	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter), as determined in particular in accordance with article 14 of the Model Articles;
"Fair Value"	shall have the meaning given to it in Article 12.5;
"Founders"	shall mean Professor Martin Gerard Tangney, of 11 Ogilvie Terrace, Edinburgh, EH11 1NS; Dr Douglas John Ward CBE, of Valhalla, 6 Halmyre Loan, Romanno Bridge, EH46 7DN; and Mr Mark William Simmers, of West Lodge, Gartocharn, Alexandria, G83 8RS (and each a "Founder");

**"Founder Bad Leaver"**

means in the case of a Founder and his Privileged Relations, the cessation of (i) employment with the Company or any Group Member of the Company or (ii) holding the office of director or consultant of the Company or any Group Member of the Company, who's employment or appointment with the Company or any Group Member of the Company is terminated for reasons of behaviour which equates to gross misconduct, dishonesty or fraud; or who resigns the office of director, employee or consultant of the Company or any Group Member of the Company within 24 months of the date of adoption of these Articles without the approval of the Board or the Investor's Director;

**"Founder Good Leaver"**

means in the case of a Founder and his Privileged Relations, the cessation of (i) employment with the Company or any Group Member of the Company or (ii) holding the office of Director or consultant of the Company or any Group Member of the Company for one of the following reasons:

- (a) by reason of the employee leaving employment for reasons of ill health or disability as certified to the Board's reasonable satisfaction by an independent doctor or where the death or long term illness or disability of a spouse, parent, long term partner or child of the employee makes it reasonably necessary for the employee to provide care by himself or herself to that spouse, parent, partner or child;
- (b) by reason of the dismissal of the employee by reason of redundancy;
- (c) by reason of the death of the employee, consultant or the Director (as the case may be);
- (d) by reason of the retirement of the employee, Director or consultant at the statutory retirement age (or such other date as is mutually agreed between the Company or any Group Member of the Company and the Director, consultant or employee (as the case may be));
- (e) where such cessation occurs after the second anniversary of the date of adoption of these Articles, except where such cessation occurs in circumstances justifying summary dismissal of an employee (including without limitation gross misconduct, fraud or dishonesty);
- (f) 65% of the shareholders, the Board and the Investor's Director (if appointed) all resolve that a "Founder Good Leaver" reason applies;

**"fully diluted"**

means in relation to the share capital of the Company, the entire issued equity share capital of the Company as increased by any shares which may be issued pursuant to any options or rights to subscribe for or convert into equity shares in the Company which have been granted or entered into prior to the relevant date, to the extent that such

options or rights have not lapsed;

"Group Member"	means any holding company, subsidiary company, wholly-owned subsidiary company or a parent company as defined in the Act;
"Investor"	means Mrs Tertia Margaret Irwin Houston, residing at Mingary House, Kilchoan, Acharacle, PH36 4LN;
"Investor's Director"	means Mr Donald Francis Irwin Houston, residing at Mingary House, Kilchoan, Acharacle, PH36 4LN;
"member"	means a person registered as a member in the register of members of the Company;
"Model Articles"	means the model Articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2009/3229) as amended prior to the date of adoption of these Articles;
"Mr Houston"	means Mr Donald Francis Irwin Houston, residing at Mingary House, Kilchoan, Acharacle, PH36 4LN;
"Option Holder"	means a holder of options, warrants or any other right to acquire new shares in the share capital of the Company;
"Other Bad Leaver"	means in relation to any person other than a Founder or his Privileged Relation, the cessation of (i) employment with the Company or any Group Member of the Company or (ii) holding the office of director or consultant of the Company or any Group Member of the Company, other than (1) for any of the reasons listed in subsections (a) to (f) of the definition of "Other Good Leaver" below;
"Other Good Leaver"	<p>means in relation to any person other than a Founder or his Privileged Relation, the cessation of (i) employment with the Company or any Group Member of the Company or (ii) holding the office of Director or consultant of the Company or any Group Member of the Company for one of the following reasons:</p> <ul style="list-style-type: none"><li>(a) by reason of the employee leaving employment for reasons of ill health or disability as certified to the Board's reasonable satisfaction by an independent doctor or where the death or long term illness or disability of a spouse, parent, long term partner or child of the employee makes it reasonably necessary for the employee to provide care by himself or herself to that spouse, parent, partner or child;</li><li>(b) by reason of the dismissal of the employee by reason of redundancy;</li><li>(c) by reason of the death of the employee, consultant or the Director (as the case may be);</li><li>(d) by reason of the retirement of the employee, Director or consultant at the statutory</li></ul>

retirement age (or such other date as is mutually agreed between the Company or any Group Member of the Company and the Director, consultant or employee (as the case may be));

- (e) where such cessation occurs after the fifth anniversary of the date of adoption of these Articles, except where such cessation occurs in circumstances justifying summary dismissal of an employee (including without limitation gross misconduct, fraud or dishonesty);
- (f) the Board and the Investor's Director (if appointed) resolve that a "Other Good Leaver" reason applies;

**"Privileged Relation"**

means the spouse or widow, civil partner, surviving civil partner of the relevant person and the relevant person's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the relevant person's children ("family members"), any trust established for the benefit of the relevant person or his family members, or any charitable trust established by the relevant person and/or by his family members;

**"Qualifying Majority"**

means 65%;

**"share"**

means any share forming part of the share capital of the Company;

**"Investment Agreement"**

means the investment agreement entered into between the Company, the University, Napier University Ventures Limited (SC103082) and the Founders dated on or around the date of adoption of the Articles;

**"Total Transfer Condition"**

shall have the meaning given to it in Article 12.2;

**"University"**

means Edinburgh Napier University, a Scottish registered charity with registration number SC018373 and having its principal place of business at Merchiston Campus, Edinburgh, EH10 5DT;

**"University Group"**

means (i) the University, (ii) any University Successor, and (iii) each entity (howsoever constituted) controlled by the University or a University Successor from time to time (including for the avoidance of doubt Napier University Ventures Limited (SC103082)) (each individually a "University Group Member");

**"University Successor"**

means any entity (howsoever constituted) to which all or part of the University's activities or statutory functions have been transferred or devolved or succeeding in whole or in part to the interest of the University or to which all or a material part of the holding of University Group in spin-out companies or the University Group's unlisted investment portfolio is transferred; and

"Valuer"

means the Auditors of the Company, unless they decline to act and in such an instance the valuer shall instead be appointed by the President for the time being of the Institute of Chartered Accountants of Scotland.

1.2 Words importing the singular include the plural and vice versa.

1.3 Words importing a particular gender include any gender.

1.4 References to a "person" include any natural person, or any legal person, body or organisation, incorporated or unincorporated.

1.5 The headings in these Articles are for convenience only and shall not affect the construction of these Articles.

1.6 Words and expressions defined in the Act shall bear the same meanings in these Articles.

1.7 Unless provision is made to the contrary, references to any statute or statutory provision includes a reference to:

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

1.7.2 all statutory instruments or orders made pursuant to it.

1.8 References to the phrase "Privileged Relations" shall save for the references in Article 0 and Article 11.4.3 respectively, be deemed to include the phrase "and/or Group Member".

#### **MODEL ARTICLES**

2. 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.

3. Articles 11(2), 23, 24(2)(d), 24(5)(a), 48(2), 48(3), 49, 52 and 53 of the Model Articles shall not apply to the Company.

4. The following amendments shall be made to the articles of the Model Articles in so far as they apply to the Company:

4.1 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";

4.2 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 incurred";



- 4.3 in article 22(1) of the Model Articles, by the amendment to the reference to "ordinary resolution" to read "special resolution"; and
- 4.4 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".

## **SHARE CAPITAL**

5. The authorised share capital of the Company as at the date of adoption of these Articles consists of the Authorised Amount. Save to the extent authorised by the Articles or authorised from time to time by an ordinary resolution of the members, the Directors shall not (i) exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company, or (ii) be authorised to issue shares in excess of the Authorised Amount. Section 550 of the Act shall not apply to the Company.
6. The Company may at its sole discretion recognise and record the holding of a share by a person on trust, or in the names of trustees, but unless specifically recognised by the Company as such a holding, the Company shall not be bound by, or obliged to recognise, any interest in any share except for the absolute rights of the holder named in the register of members.
7. Any shares of the Company for the time being unissued and any new shares from time to time to be created and which the Directors propose to issue 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 the expiry of such period or receipt of notice of the acceptance or refusal of every offer made hereunder the Directors may dispose of any shares not accepted by the members in such manner as they think most beneficial to the Company provided that such shares shall not be disposed of on terms which are more favourable to the allottee than the terms on which they were offered to the members hereunder.
8. This Article is deliberately omitted.
9. Pursuant to the Act, all statutory rights of pre-emption shall be excluded from applying to the Company. In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

## **LIEN**

10. The Company shall have a first and paramount lien on every share for all monies, 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 monies are presently payable or not. The Directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article.

## **TRANSFER OF SHARES**

### **11.**

- 11.1 Save in respect of a transfer complying with one or more of the conditions specified in Article 11.4, no transfer of any share shall be registered unless it is first approved by the Directors.
- 11.2 Except a transfer complying with one or more of the conditions specified in Article 11.4, the Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of any share:
  - 11.2.1 whether or not it is a fully paid share; and/or
  - 11.2.2 upon which the Company has a lien.
- 11.3 Subject only to:
  - 11.3.1 Articles 11.2, 14 and 16; and
  - 11.3.2 the presentation of such evidence as the Directors may reasonably require to show the right of a transferor to make the transfer;a transfer complying with one or more of the conditions specified in Article 11.4 shall be registered by the Directors.
- 11.4 The following are the conditions specified in Articles 11.1, 11.2 and 11.3:
  - 11.4.1 a transfer of a share made with the prior written consent of 90% of the members of the Company for the time being, other than the transferor;
  - 11.4.2 a transfer of a share pursuant to Article 12;
  - 11.4.3 a transfer of a share pursuant to Article 13;
  - 11.4.4 a transfer or transmission of a share by a Founder to a Privileged Relation provided that in this instance any such transfer is conditional upon the transferor remaining the holder of at least one Ordinary Share thereafter, and a retransfer of any such share from such Privileged Relation to such transferor and transfers between the Privileged Relations of such original transferor;
  - 11.4.5 a transfer or transmission of a share by any University Group Member to any other University Group Member without restriction as to price or otherwise, subject to the obligation on any such member transferee to retransfer any such share to the original transferor in the event that the member transferee ceases to be a University Group Member;
  - 11.4.6 a transfer or transmission of a share by the Investor to a Privileged Relation without restriction as to price or otherwise, and a retransfer of any such share from such Privileged Relation to such transferor and transfers between the Privileged Relations of such original transferor; and
  - 11.4.7 a transfer or transmission of a share by or to the Celtic Renewables EBT as part of an Approved Transfer.

### **12.**

- 12.1 Except in the case of a transfer expressly authorised by Article 11.4 or by any Approved Transfer, no person shall be entitled to dispose of any interest in any

shares without first offering such shares for transfer to the holders of other shares in the Company. The offer shall be made by the proposing transferor(s) (the "Transferor") by notice in writing to the Company (a "Transfer Notice") and may be in respect of all or some only of the shares held by the Transferor (the "Offer Shares"); provided that a Deemed Transfer Notice must be in respect of all shares held by the Transferor and his Privileged Relations.

- 12.2 The Transfer Notice shall specify the Offer Shares and the price at which they are offered for sale (the "Suggested Price") and shall constitute the Directors as the agents of the Transferor and his Privileged Relations (if appropriate) for the sale of the Offer Shares (a) to other holders of shares in the Company and, failing which, (b) to the Company, in accordance with this Article 12. A Transfer Notice, other than a Deemed Transfer Notice, 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 agree in writing that it may be revoked or (iii) it is permitted in terms of Article 12.6.
- 12.3 Within 7 days after a Transfer Notice (other than a Deemed Transfer Notice) is received by the Company, the Directors shall give notice to all the holders of shares in the Company (other than the Transferor and his Privileged Relations) of the number and description of the Offer Shares and the Suggested Price, inviting each such holder to notify the Company within 21 days (a) if he requires the Offer Shares to be valued (such notification being a "Valuation Notice") and (b) if he does not so require whether he is willing to purchase any and, if so, what maximum number, of Offer Shares at the Suggested Price.
- 12.4 If on or before the expiry of the 21 day period referred to in Article 12.3 the Directors shall receive a Valuation Notice requesting a valuation then the Directors shall instruct the Valuer to determine the fair value of the Offer Shares in accordance with Article 12.5, acting as an expert and not as 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 12.9 shall apply accordingly.
- 12.5 The fair value of the Offer Shares (the "Fair Value") shall be calculated on the basis of the value of the whole Company on a going concern basis as between a willing seller and a willing buyer, with no reduction or other account being taken of the proportion which the Offer Shares bear to the total number of shares in issue, or shares of the same class as the Offer Shares in issue or any restrictions on the ability to transfer the Offer Shares. In the case of a Deemed Transfer Notice arising under Article 13.1.1(c), account shall be taken in assessing the Fair Value of the effect of the relevant person ceasing to be an employee, director or consultant. The Fair Value of each Offer Share shall be calculated by dividing the Fair Value of all the Offer Shares by the total number of the Offer Shares.
- 12.6 Within 7 days of receipt by the Directors of the Certificate of Fair Value, the Directors shall send a copy thereof to the Transferor; declaring that (i) the Transferor (provided the Transferor is not a Compulsory Transferor) shall be entitled to revoke the Transfer Notice by notice in writing to the Directors within 7 days from the date of service upon the Transferor of such copy; and (ii) where the Transferor is a Compulsory Transferor, the Compulsory Transferor shall be entitled within 7 days from the date of service upon the Compulsory Transferor of such copy to notify the Company that the Compulsory Transferor objects to the calculation of the Fair Value where it has been calculated by the Auditors acting as the "Valuer", whereupon the Company shall immediately refer the matter to the President for the time being of the Institute of Chartered Accountants of Scotland with a request to nominate forthwith an independent valuer to calculate the Fair Value within 14 days of being instructed to do so (in accordance with Article 12.5) and the decision of such independently

nominated valuer shall be final and binding on all parties concerned and the costs of the said valuer shall be borne by the Compulsory Transferor alone.

- 12.7 The cost of obtaining a Certificate of Fair Value shall be borne by the Company, unless (i) the Transferor revokes the Transfer Notice in accordance with Article 12.6 in which case the Transferor shall bear such cost or (ii) the Compulsory Transferor notifies the Company that the Compulsory Transferor objects to the calculation of the Fair Value in accordance with Article 12.6 in which case the Compulsory Transferor shall bear such cost.
- 12.8 If the Transfer Notice (other than a Deemed Transfer Notice) is not revoked by the Transferor in accordance with Article 12.6, the Directors shall give notice to all the holders of shares in the Company of the lower of (i) the Suggested Price and (ii) the Fair Value (the "Purchase Price") and in each case the number and description of the Offer Shares, inviting each such holder (other than the Transferor and his Privileged Relations) to notify the Company within 14 days whether he is willing to purchase any and, if so, what maximum number of Offer Shares at the Purchase Price. In the event of a Deemed Transfer Notice, the Directors shall give notice as soon as reasonably practicable following any decision by an independently nominated valuer appointed in accordance with Article 12.6 (or where no such valuation was requested, as soon as reasonably practicable following receipt of the Certificate of Fair Value) to all the holders of shares in the Company (other than the Compulsory Transferor and his Privileged Relations) of the relevant Suggested Price as determined by Article 12.2 (hereafter referred to as the "Purchase Price") and in each case the number and description of the Offer Shares, inviting each such holder (other than the Compulsory Transferor and his Privileged Relations) to notify the Company within 14 days whether he is willing to purchase any and, if so, what maximum number, of Offer Shares at the Purchase Price.
- 12.9 On the expiry of the 21 day period referred to in Article 12.3 or if a Certificate of Fair Value has been obtained the expiry of the 14 day period referred to in Article 12.8, the Directors shall allocate the Offer Shares to those members who have applied to purchase the Offer Shares, and in the event that the number of Offer Shares applied for exceeds the number of Offer Shares available such allocation shall be made in accordance with Article 12.10. If the Transfer Notice contains a Total Transfer Condition, no allocation of the Offer Shares shall be made under this Article 12.10 unless as a result of such allocation combined with the purchase of Offer Shares by the Company pursuant to Article 12.14.1 (if any), all the Offer Shares will be sold.
- 12.10 If the aggregate number of Offer Shares for which members have applied exceeds the number of Offer Shares available, priority shall be given to those members holding shares of the same class as the Offer Shares, and the allocation shall be made so far as practicable in proportion to the nominal amount of the share capital of that class held by each of those members but shall not in the case of any member exceed the number of Offer Shares for which he has applied. Thereafter, any Offer Shares remaining unallocated shall be allocated amongst the holders of other classes of shares so far as practicable in proportion to the nominal amount of share capital of the Company of those other classes of share held by each of those members but shall not in the case of any member exceed the number of Offer Shares for which he has applied.
- 12.11 On the allocation being made, the Directors shall give details of the allocation in writing to the Transferor and in relation to a Compulsory Transfer, the Privileged Relations of the Transferor and to each member who has stated his willingness to purchase. 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 and in relation to a Compulsory Transfer, the Privileged Relations of the Transferor shall be bound, on payment of the Purchase Price, to transfer the Offer Shares to the respective purchasers.

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

12.13 Where more than one member has stated his willingness to purchase Offer Shares and through no default of the Transferor and in relation to a Compulsory Transfer, the Privileged Relations 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 seven days of such notice being given, those other members shall not between them duly complete the purchase of the Offer Shares in respect of which there has been default in completion, the provisions of Article 12.14 shall apply.

#### 12.14

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

12.14.2 The Directors shall have a period of 60 days from the date of any such determination to (i) obtain from the Transferor and in relation to a Compulsory Transfer, the Privileged Relations of the Transferor any necessary consents and authorities including any required under the Act for any such purchase by the Company and (ii) to complete any such purchase.

12.14.3 In the event that a Transferor and in relation to a Compulsory Transfer, the Privileged Relations of the Transferor either (i) refuses to sign any document necessary to enable the purchase of some or all of the Offer Shares by the Company or (ii) fails to respond to the Directors within 14 days of any such request (in accordance with Article 12.14.2), the Directors may authorise any Director to execute on behalf of and as attorney for the Transferor and in relation to a Compulsory Transfer, the Privileged Relations of the Transferor any such document and may receive the Purchase Price and hold the Purchase Price in trust for the Transferor and, in relation to a Compulsory Transfer, the Privileged Relations of 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.

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

- 12.15 If either (i) the Directors do not by the close of business on the last day of the 7 day period referred to in Article 12.14.1, make a determination that the Company shall, if it is permitted to do so under the Act, purchase some or all of the Offer Shares at the Purchase Price (the "Determination"); or (ii) the Company shall not where the Directors have made such Determination, complete a purchase of the Offer Shares by the close of business on the last day of the 60 day period referred to in Article 12.14.2 (the "Buy-Back Expiry Date"), then the Transferor and in relation to a Compulsory Transfer, the Privileged Relations of the Transferor may at any time within a period of 60 days from the occurrence of the relevant Buy-Back Expiry Date, transfer the Offer Shares not allocated to other members of the Company to any third party at the Suggested Price provided that if the Transfer Notice contains a Total Transfer Condition, the Transferor shall be only entitled to transfer all of the Offer Shares.
- 12.16 The holders of any shares which are the subject of a Deemed Transfer Notice or Compulsory Transfer shall be entitled to receive notice of and to attend general meetings of the Company but shall have no right to (i) vote thereat in respect of the Offer Shares which are the subject of a Deemed Transfer Notice or Compulsory Transfer until such time as those Offer Shares are transferred to another person in accordance with the provisions of this Article 12 or (ii) participate in any other offer-round of shares pursuant to a compulsory transfer of shares under Article 12 applying to any other shareholder.

#### **EMPLOYEE ETC SHAREHOLDERS**

13.

- 13.1 Where any of the following events occurs in relation to any member, the member in question shall be deemed to have immediately given a Transfer Notice (a "Deemed Transfer Notice") in respect of all the shares as then registered in the name of such member (jointly or otherwise) and all of the shares as then beneficially owned or controlled by that member (jointly or otherwise) and his Privileged Relations and the provisions of Article 12 regarding Deemed Transfer Notices shall apply:-
- 13.1.1 In relation to a member being an individual:-
- (a) such member is adjudicated bankrupt; or
  - (b) such member is suffering from a mental disorder as referred to in articles 18(d) or 18(e) of the Model Articles; or
  - (c) such member ceases to be a Director and/or employee and/or consultant of the Company or of any Group Member of the Company where such member does not remain acting in any other of such capacities in relation to the Company or any such Group Member (as an employee, Director or consultant);
- 13.1.2 In relation to a member being a body corporate:-
- (a) a receiver, manager or administrative receiver is appointed in respect of such member or over all or any part of its undertaking or its assets; or
  - (b) such member enters into liquidation (other than a voluntary liquidation for the purposes of a bona fide scheme of solvent amalgamation or reconstruction); or
  - (c) such member ceases to be controlled (as defined by Section 416 of the Income and Corporation Taxes Act 1988) by the person(s) who controlled such member on the date on which it became the member of the Company or the date of adoption of these Articles (whichever is later).
- 13.2 The Suggested Price applicable to the transfers under Article 13.1 shall be calculated as follows:-

- 13.2.1 where the event giving rise to the Deemed Transfer Notice is the event referred to in Article 13.1.1(c) and such member is a Founder who is either a Founder Bad Leaver or Other Bad Leaver, the Suggested Price shall be the lower of the subscription price paid by the Compulsory Transferor and/or Privileged Relation (as the case may be) for the shares (either to the Company or the Celtic Renewables EBT) and the Fair Value;
- 13.2.2 where the event giving rise to the Deemed Transfer Notice is the event referred to in Article 13.1.1(c) and such member is either a Founder who is a Founder Good Leaver or the Privileged Relation of a Founder who is a Founder Good Leaver, the Deemed Transfer Notice shall only be in respect of 50% of the shareholdings of the Founder and his Privileged Relations and the Suggested Price shall be the Fair Value; and
- 13.2.3 in all other circumstances, the Suggested Price shall be the Fair Value.
- 13.3 The Directors shall instruct the Valuer to determine the Fair Value in accordance with Articles 12.4 and 12.5, to produce a Certificate of Fair Value and Articles 12.6 to 12.14 and Article 12.16 shall then apply save that where the event giving rise to the Deemed Transfer Notice is the event referred to in Article 13.1.1 (c), then the shares of the Compulsory Transferor and the Privileged Relations of the Compulsory Transferor must always be offered first to the Celtic Renewables EBT before the other shareholders of the Company.
- 13.4 The price to be received for the sale of the shares by the Compulsory Transferor and the Privileged Relations of the Compulsory Transferor in accordance with the provisions of this Article 13 shall be allocated to the Compulsory Transferor and his Privileged Relations in proportion to the number of shares held by the Compulsory Transferor and his Privileged Relations.
- 13.5 Any obligation to transfer a share under the provisions of this Article 13 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.
- 13.6 Other than Articles 13.7 and 13.8, the provisions of this Article 13 may be waived in whole or in part in any particular case with the prior written consent of (i) 65% of the members of the Company for the time being, and (ii) the Board (which must include the consent of the Investor's Director if he is appointed).
- 13.7 The foregoing provisions of this Article 13.1 to Article 13.5 (inclusive) shall not apply to (i) the University (or any transferee thereof under Articles 11.4.1 or 11.4.5) or (ii) the Investor, or (iii) Mr Houston, or (iii) any transferee who receives shares from either the Investor or Mr Houston under any of Articles 10.4.1 to 10.4.6 (inclusive).
- 13.8 The operation of Article 13.2.2 shall not be waived in whole or in part so that a Deemed Transfer Notice (in the case of either a Founder who is a Founder Good Leaver or his Privileged Relations) shall apply to more than 50% of the shareholding(s) of the Founder who is a Founder Good Leaver and his Privileged Relations.

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

14.

- 14.1 Notwithstanding any other Article, no sale or transfer (other than a sale or transfer permitted by Article 11.4.8) of the legal or beneficial interest in any shares in the Company (the "Specified Shares") may be made or validly registered if as a result of a sale or transfer of the legal and or beneficial interest in any such shares in the Company, a Controlling Interest would be obtained in the Company by any person or

group of persons Acting in Concert, unless the proposed transferee or transferees or his or their nominees has or have offered to purchase all the shares for the time being in issue at the Specified Price (as defined below) (the "Tag Along Offer"), such offer to be made by notice in writing to all Recipients (as defined below) and such offer stipulated to be open for acceptance for at least 21 days.

- 14.2 A Tag Along Offer shall expire 21 days (or such longer period of acceptance stipulated within the Tag Along Offer) after the date of the Tag Along Offer. Any Recipient who wishes to accept the Tag Along Offer must notify the proposed transferee(s) in writing of its acceptance of such offer. Any Recipient who fails to accept the Tag Along Offer within the period limited for acceptance shall be deemed to have rejected it. In the event that an Option Holder wishes to accept a Tag Along Offer, such person must also notify the Company in writing no less than seven days prior to expiry of the period of acceptance of the Tag Along Offer of its intention to exercise the relevant option or other right to acquire shares, and any failure to do so or any inability under the terms of the relevant option agreement to exercise such option or right to acquire shares within 30 days of notification shall be deemed a rejection of the Tag Along Offer.
- 14.3 The Specified Price in respect of a particular share shall take into account any differences in class rights between it and any other share including, without limitation, any Specified Share.
- 14.4 If any part of the Specified Price is to be paid except by cash then each Recipient may, at its option, elect to take a price per share of such cash sum as may be agreed by it and the proposed transferee having regard to the transaction as a whole.
- 14.5 In the event of a disagreement, the calculation of the Specified Price (including a determination of the Fair Value) shall be referred to an independent expert (acting as an expert and not as an arbiter and whose decision shall be final and binding) nominated by the President for the time being of the Institute of Chartered Accountants of Scotland and acting at the expense of the proposed transferee(s) or his or their nominees (as appropriate).
15. For the purposes of Article 14:-
- "Recipients" means all members of the Company and all Option Holders; and
- "Specified Price" means in relation to the shares, a price per share being not less than the Fair Value and at least equal to the value of the consideration (in cash or otherwise) offered or paid or payable by the proposed transferee(s) or his or their nominees for the Specified Shares being acquired including without limitation (i) the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable per share and (ii) all arrears and accruals of the dividends on such shares calculated down to the date of the sale or transfer.

#### **SALE BY QUALIFYING MAJORITY- DRAG ALONG RIGHTS**

16.

- 16.1 Notwithstanding any other Article, where any person or persons (an "Offeror") makes a Qualifying Offer (as hereinafter defined) and this is to be accepted by the Majority Members (as hereinafter defined), the Majority Members may by notice in writing (a "Drag Along Notice") to the other members of the Company (the "Minority Members") require the Minority Members to (i) forthwith accept such Qualifying Offer and (ii) transfer all of their shares free from all charges, liens, encumbrances and other third party rights to the Offeror at the same time as the Majority Members transfer all of their



own shares to the Offeror. The Majority Members shall also serve the Drag Along Notice on all Option Holders of the Company.

- 16.2 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder shall lapse if for any reason the sale of the shares of the Majority Members pursuant to Article 16.1 does not complete within 60 days after the date of the Drag Along Notice.
- 16.3 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or otherwise (a "New Member"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice and the New Member shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror and the provisions of this Article 16 shall apply to the New Member.
- 16.4 In the event that any Minority Member fails to accept such Qualifying Offer or having accepted such Qualifying Offer fails to execute and deliver any of the documents required to effect any transfer of shares pursuant thereto, such Minority Member shall be deemed to have irrevocably appointed any of the Directors to be his agents and attorneys for the purposes of accepting such Qualifying Offer and/or transferring all of that Minority Member's shares (as the case may be) and executing and delivering any such documents. The provisions of Article 12.12 shall have effect as if such Minority Member was the Transferor and the Offeror was the purchaser.

16.5 For the purposes of this Article 16:-

"Majority Members" means members holding shares conferring in aggregate more than the Qualifying Majority of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to attend and vote at all General Meetings;

"Qualifying Offer" means an offer which:

- (i) is made on identical terms to all members; and
- (ii) specifies a price which is not less than the Fair Value of each share; and
- (iii) is certified as complying with conditions (i) and (ii) above by an independent expert (acting as an expert and not as an arbiter and whose decision shall be final and binding) nominated the President for the time being of the Institute of Chartered Accountants of Scotland and acting at the expense of all the members of the Company (in proportion to their respective holdings of shares).

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

- (a) any differences in class rights between shares; and
  - (b) any consideration (in cash or otherwise) received or receivable by any member which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable to that member including, without limitation, any increase in salary, any bonus or termination payment.
- 16.6 The determination of the Fair Value may be referred by the Company to an independent expert (acting as an expert and not as an arbiter and whose decision shall be final and binding) nominated by the President for the time being of the Institute of Chartered Accountants of Scotland and acting at the expense of the Company.

## **WRITTEN RESOLUTIONS**

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

(i) in the case of an ordinary resolution, over 50%; and

(ii) 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.

18. 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 90 days from the Circulation Date stated on the proposed written resolution.

## **PROCEEDINGS AT GENERAL MEETINGS**

19. 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.
20. 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.
21. 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.
22. Unless waived in writing or by e-mail by 90% of the members, the Company shall hold an annual general meeting each calendar year.

## **NUMBER OF DIRECTORS**

23. 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.
24. A Director shall not be required to hold any share in the Company in order to qualify for office as a Director. A Director, whether or not the Director holds any share in the Company, shall be entitled to attend and speak at any general meeting, or any meeting of any class, of the members of the Company.

## **ALTERNATE DIRECTORS**

25. Director (the "Appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:-
  - 25.1 exercise that Director's powers, and
  - 25.2 carry out that Director's responsibilities,in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.
26. 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.
27. Any notice relating to an alternate must:-
  - 27.1 identify the proposed alternate, and
  - 27.2 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.
28. An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's Appointor.
29. Except as the Articles specify otherwise, alternate Directors:-
  - 29.1 are deemed for all purposes to be Directors;
  - 29.2 are liable for their own acts and omissions;
  - 29.3 are subject to the same restrictions as their Appointors; and
  - 29.4 are not deemed to be agents of their Appointorsand, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.
30. A person who is an alternate Director but not a Director:-
  - 30.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);
  - 30.2 may participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and
  - 30.3 shall not be counted as more than one Director for the purposes of Articles 30.1 and 30.2.
31. A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.
32. 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.
33. An alternate Director's appointment as an alternate terminates:-
  - 33.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
  - 33.2 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;
  - 33.3 on the death of the alternate's Appointor; or
  - 33.4 when the alternate's Appointor's appointment as a Director terminates.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

34. The Company may by ordinary resolution appoint a person who is willing to act as a Director, either to fill a vacancy or as an additional Director.
35. The Directors may appoint any person who is willing to act as a Director, either to fill a casual vacancy or as an additional Director.
36. The Investor shall, for as long as he holds shares in the Company equal to not less than 15% of the issued share capital of the Company from time to time, be entitled, by notice in writing, to nominate and appoint one person as Investor's Director, or remove from office any Investor's Director appointed by him pursuant to this articles and appoint any person in place of any Investor's Director so removed.

## **PROCEEDINGS OF DIRECTORS**

37. A sole Director shall have and may exercise all the powers of, and the full authority conferred on, the Directors in terms of these Articles, and all references to the Directors in the Articles and Regulations shall be construed accordingly.
38. The quorum for the transaction of business of the Directors shall be two Directors, except in the case of a sole Director, when the quorum shall be one.
39. It shall be necessary to give notice of every meeting of the Board to any Investor's Director appointed by the Investor and any Director appointed pursuant to Article 40.

## **UNIVERSITY RIGHTS**

40. The University Group (collectively, acting by a majority in nominal value of the shares in the Company held collectively by the University Group Members) shall, for as long as the University Group hold shares in the Company equal to not less than 10% of the issued share capital of the Company from time to time, be entitled to appoint a Director and to remove any person so appointed from office and appoint another person in his or her place. Such person shall not be paid any fees by the Company.
41. The Board shall (for so long as the University Group holds shares in the Company) provide the University Group with copies of:-
  - 41.1 all board meeting agendas at least two business days prior to such meeting taking place; and
  - 41.2 all minutes and resolutions within ten business days of such meeting taking place.

## **DIRECTORS' CONFLICT OF INTEREST**

42.
  - 42.1 If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the company in which a Director is interested, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
  - 42.2 A Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes in the event that:-
    - 42.2.1 the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision-making process;

- 42.2.2 the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 42.2.3 the Director's conflict of interest arises from a permitted cause (as defined in Article 42.3).
- 42.3 For the purposes of this Article 42, the following are permitted causes:-
  - 42.3.1 a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
  - 42.3.2 subscription, or an agreement to subscribe, for shares or other securities of the Company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
  - 42.3.3 arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.
- 42.4 For the purposes of this Article 42, references to proposed decisions and decision-making process include any Directors' meeting or part of a Directors' meeting.
- 42.5 Subject to Article 42.6, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting whose ruling in relation to any Director other than the chairman is to be final and conclusive.
- 42.6 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman of the meeting, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

#### **THE SEAL**

- 43. The Company shall not have a seal.

#### **INDEMNITY**

- 44. Without prejudice to any indemnity to which any person referred to in this Article 44 may otherwise be entitled, every present and former Director, alternate Director, secretary or other officer of the Company (excluding any present or former Auditors) (an "Indemnified Person") shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in the execution and discharge of his duties to the Company and any Associated Company, including any liability incurred by any Indemnified Person in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or an Associated Company provided that such indemnity shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person (or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled) and no Indemnified Person shall be entitled to be indemnified for:
  - 44.1 any liability incurred by him to the Company or any Associated Company of the Company as above defined;
  - 44.2 any fine imposed in any criminal proceedings;
  - 44.3 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;

- 44.4 any amount for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final;
- 44.5 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
- 44.6 any amount for which he has become liable in connection with any application under either 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.

For the purposes of this Article 44, "Associated Company" shall have the same meaning as in the Act.

### **INSURANCE**

- 45. The Company shall have power to purchase and maintain for (i) any Indemnified Person (as defined in Article 44), (ii) any director, secretary or other officer 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.

For the purposes of this Article 45, "Associated Company" shall have the same meaning as in section 309A of the Act.

### **NOTICES**

- 46. 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.
- 47. Any notice required or permitted to be given by the Company to a member shall be sufficiently given to that member if sent in a legible form by facsimile transmission ("fax"), first class or express registered post ("post"), or airmail, or by personal delivery, including courier delivery, to the registered address of the member, or by electronic mail ("e-mail") to the e-mail address of the member notified to the Company. A notice shall be deemed to have been received: (i) in the case of fax, when a successful transmission report is generated during that or the next Business Day; (ii) in the case of post, thirty-six hours from midnight (00.00 hrs) on the date of posting, postage prepaid, evidenced by the relevant proof of posting; (iii) in the case of airmail, on the seventh Business Day following mailing, if mailed by airmail, postage prepaid, evidenced by the relevant proof of posting; (iv) in the case of personal delivery, thirty minutes after the time of delivery, evidenced, where appropriate, by the courier's receipt duly counter-signed for or on behalf of the addressee and (v) in the case of e-mail, when a successful delivery receipt is generated during that or the next Business Day. Where the deemed day of receipt of a notice is not a Business Day or where deemed receipt occurs at the place of delivery on a Business Day but after 1800hrs, that notice shall be deemed to have been received at 0930hrs on the next Business Day.
- 48. 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.

49. 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.

#### **GOVERNING LAW**

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