

THE COMPANIES ACTS, 1948 TO 1967

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

BELLAIR (SCOTLAND) LIMITED¹



PRELIMINARY

1. The regulations contained in Part I of Table A in the First Schedule to The Companies Act, 1948 (such Table being hereinafter called "Table A"), shall apply to the Company save in so far as they are excluded or varied hereby; that is to say, Clauses 24, 53, 75, 79, 126 and 130 in Part I of Table A shall not apply to the Company; and in addition to the remaining Clauses in Part I of Table A, as varied by these Articles, the following shall be the regulations of the Company.
2. The Company is a private Company and Clauses 2, 3, 4, 5, and 6 in Part II of Table A as varied by these Articles shall accordingly apply to the Company.

SHARES

3. (1) All shares of whatever class shall be under the control of the directors who may allot and dispose of or grant options over the same to such persons, on such terms, and in such manner as they think fit subject to the provisions of Clause 4 hereof.

- (2) Shares may be issued as nil, partly or fully paid.

- (3) Voting

Notwithstanding the provisions of Clause 62 in Part I of Table A:

- (i) At any General Meeting of the Company, the holders of the A ordinary shares present in person or by proxy and entitled to vote shall have one vote on a show of hands, and on a poll every holder of A ordinary shares who is present in person or by proxy and entitled to vote shall have one vote for each A ordinary share held.
- (ii) The holders of the B ordinary shares shall be entitled to receive notice of and attend all General Meetings but shall not by reason of such holding be entitled to vote thereat.
- (iii) The holders of C ordinary shares shall be entitled to receive notice of and attend all General Meetings but shall not by reason of such holding be entitled to vote thereat unless the business of the General Meeting includes the consideration of a resolution directly affecting

¹ As amended by Special Resolution dated 02/10/2013

the rights and privileges attached to the C ordinary shares or a resolution for the winding up of the Company, in which case the holders of the C ordinary shares shall be entitled to speak and vote only on such resolution. Whenever the holders of the C ordinary shares are entitled to vote at a General Meeting of the Company in respect of such resolution, the holders of the C ordinary shares present in person or by proxy shall have the casting votes on a show of hands or on a poll.

(4) Income

- (i) Every ordinary resolution by which a dividend is declared shall direct that such dividend be paid in respect of one or more classes of shares to the exclusion of the other classes or in respect of all classes of shares.
- (ii) Where a dividend is declared in respect of more than one class of shares, the company may, by ordinary resolution, differentiate between such classes as to the amount or percentage of dividend payable, but in default the shares in each such class shall be deemed to rank *pari passu* in all respects as if they constituted one class of shares.
- (iii) When paying interim dividends the directors may make payments to one or more classes of shares to the exclusion of the other classes or to all classes of shares. When making such payments the directors may differentiate between the classes to which payments are being made as to the amount or percentage of dividend payable.

(5) Capital

On a winding up or other repayment of capital, the assets of the Company (including capital uncalled at the commencement of the winding up) remaining after paying any unpaid dividends due to the holders of the A ordinary shares, the B ordinary shares and the C ordinary shares, and after paying and discharging the debts and liabilities of the Company and the costs of winding up, shall be applied:-

- (i) first, in paying to the holders of the A ordinary shares and B ordinary shares pro rata according to the amounts paid up or credited as paid up on the Shares held by them respectively the sum of £5,000,000 which represents approximately 110% of the net asset value of the Company as at the 2nd of October 2013 ("freezer date") (taking into account any liability to taxation which would arise on a disposal of the Company's assets as at such date) as certified by the Company's auditors, (the "Preferred Sum"), which shall be allocated amongst the A shareholders and B shareholders in proportion to the amounts paid up or credited as paid up on their respective shareholdings of A ordinary shares and B ordinary shares as if the A ordinary shares and B ordinary shares formed a single class of shares;

- (ii) thereafter, the balance of such assets shall be distributed among the holders of the C ordinary shares in proportion to the amounts paid up or credited as paid up on the C ordinary shares held by them respectively.
- 4. Subject to any direction to the contrary that may be given by the Company in general meeting, any original shares for the time being unissued and any new shares from time to time to be created, shall in the first instance be offered to the members in proportion (as nearly as may be) to the existing shares held by them, and such offer shall be made by notice specifying the number of shares to which the member is entitled and limiting a time within which the offer if not accepted shall be deemed to be declined; and after the expiration of such time or on receipt of an intimation from the member to whom the notice is given that he declines to accept the shares, the Directors may dispose of the same in such manner as they think most beneficial to the Company.

LIEN

- 5. The lien confirmed by Clause 11 in Part I of Table A shall attach to fully paid up Shares, and to all shares registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.

TRANSFER OF SHARES

- 6.1 In this Article, references to a transfer of a share include the transfer or assignment of a beneficial or other interest in that share or the creation of a trust or encumbrance over that share and reference to a share includes a beneficial or other interest in a share.
- 6.2 Clauses 22 – 28 of Table A shall not apply to the Company.
- 6.3 Any transfer of shares by a shareholder shall be subject to the pre-emption rights in this Article.
- 6.4 A shareholder who wishes to transfer shares (a "**Seller**"), should, before transferring or agreeing to transfer any shares, give a notice in writing (a "**Transfer Notice**") stating that the Seller desires to transfer (or enter into an agreement to transfer) any shares to the Company specifying:
 - 6.4.1 the number of the shares specified for sale (the "**Sale Shares**");

6.4.2 if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed transferee;

6.4.3 the price (in cash) per share at which he wishes to transfer the Sale Shares (which will be deemed to be the fair value of the Sale Shares as determined by an independent valuer appointed by the Company (the "**Fair Value**") if no cash price is agreed between the Seller and the Directors ("**Transfer Price**"); and

whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to Shareholders ("**Minimum Transfer Condition**").

6.5 Once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn.

6.6 A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

6.7 As soon as practicable following the receipt of a Transfer Notice, the Directors shall offer the Sale Shares for sale to the shareholders in the manner set out in article 6.8. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

6.8 The Directors shall offer the Sale Shares to all shareholders other than the Seller ("**Continuing Shareholders**"), inviting them to apply in writing within 28 Business Days of the date of the offer (First Offer Period) for the maximum number of Sale Shares they wish to buy.

If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under this article 6.8 and article 6.9 shall be conditional on the fulfilment of the Minimum Transfer Condition.

If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by

those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

If only some of the Sale Shares are allocated in accordance with this Article, but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this article 6.8.

If, at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance ("**Initial Surplus Shares**") shall be dealt with in accordance with article 6.9.

- 6.9 At the end of the First Offer Period, the Directors shall offer the Initial Surplus Shares to all the Continuing Shareholders, inviting them to apply in writing within 28 Business Days of the date of the offer (Second Offer Period) for the maximum number of Initial Surplus Shares they wish to buy.

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Directors shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of Shares (including any Sale Shares) bears to the total number of Shares (including any Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with

their applications. The balance ("**Second Surplus Shares**") shall be dealt with in accordance with article 6.12

- 6.10 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Directors shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 6.8 and article 6.9, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

If:

6.11.1 the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition; and

6.11.2 allocations under article 6.8 and, if necessary, article 6.9 have been made in respect of some or all of the Sale Shares,

the directors shall give written notice of allocation ("**Allocation Notice**") to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated ("**Applicant**"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to him ("**Consideration**") and the place and time for completion of the transfer of the Sale Shares (which shall be not more than 28 Business Days after the date of the Allocation Notice).

- 6.11 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration, transfer the Sale Shares allocated in accordance with the requirements specified in the Allocation Notice.

If the Seller fails to comply with the requirements of the Allocation Notice:

6.11.1 the chairman of the Company (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Directors) may, on behalf of the Seller:

- 6.11.2 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - 6.11.3 receive the Consideration and give a good discharge for it;
 - 6.11.4 (subject to the transfers being duly stamped) enter the Applicants in the register of Shareholders as the holders of the shares purchased by them; and
 - 6.11.5 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Directors may reasonably require to prove good title to those shares) to the Company.
- 6.12 If an Allocation Notice does not relate to all of the Sale Shares or the Transfer Notice lapses pursuant to article 6.10 then, subject to article 6.13 and within 4 weeks following service of the Allocation Notice or the date of the lapse of the Transfer Notice (as the case may be), the Seller may transfer the Second Surplus Shares or the Sale Shares (in the case of a lapsed offer) (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 6.12 shall continue to be subject to any Minimum Transfer Condition.
- 6.13 The Seller's right to transfer shares under article 6.12 does not apply if the Directors reasonably consider that:
- 6.13.1 the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of the Company; or
 - 6.13.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - 6.13.3 the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the Directors to enable it to form the opinion mentioned above.

- 6.14 The restrictions imposed by this Article may be waived in relation to any proposed transfer of shares with the consent of Shareholders who, but for the waiver, would or might have been entitled to have such shares offered to them in accordance with this Article.
7. Any share may be transferred by a member to any child or other issue, father or mother of such member and any share of a deceased member may be transferred to any such relative as aforesaid of the deceased member or to the executors or administrators of any such deceased member. Any shares standing in the name of the trustees of the Will of any deceased member or of a settlement created by a member or a deceased member may be transferred upon any change of trustees to the trustees for the time being of such Will or Settlement or to a person to whom such member or deceased member would have been entitled to transfer the same.
8. The proviso to Clause 32 of Part I of Table A shall not apply to the Company.

GENERAL MEETING

9. Every notice convening a General Meeting shall comply with the provisions of Section 136(2) of the Companies Act, 1948, as to giving information to Members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any Member is entitled to receive shall be sent to the Auditor for the time being of the Company.
10. Clause 54 in Part I of Table A shall be read and construed as if the words "Meeting shall be dissolved" were substituted for the words "Members present shall be a quorum".

DIRECTORS

11. Unless and until the Company in General Meeting shall otherwise determine, the number of Directors shall be not less than one nor more than seven. If and so long as there is a sole Director, such Director may act alone in exercising all the powers and authorities vested in the Directors.
12. The first Directors of the Company shall be determined in writing by the Subscribers to the Memorandum of Association of the Company.
13. A Director may vote as a Director in regard to any contract or arrangement in which he is interested or upon any matter arising there out, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration; and Clause 84 in Part I of Table A shall be modified accordingly.
14. Any Director may appoint any person approved by the Board to be an alternate Director and such appointment shall have effect and such appointee, whilst he holds office as an alternate Director, shall be entitled to receive notice of Meetings of Directors and to attend and vote thereat, but he shall not require any qualification

and shall not be entitled to any remuneration from the Company otherwise than out of the remuneration of the Director appointing him and agreed between the said Director and the appointee. Such appointment may be revoked at any time by the appointor or by a resolution of the Directors or by an Ordinary Resolution of the Company in General Meeting. Any appointment or revocation made under this clause, shall be in writing under the hand of the Director making the same.

DISQUALIFICATION OF DIRECTORS

15. The office of a Director shall be vacated:-

- (1) If he resigns his office by notice in writing to the Company.
- (2) If he becomes bankrupt or enters into any arrangement with his creditors.
- (3) If he is prohibited from being a Director by an order made under Section 188 of the Act.
- (4) If he becomes of unsound mind.
- (5) If he is removed from office by a resolution duly passed under Section 184 of the Act.

BORROWING POWERS

16. The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.
17. The first Secretary of the Company shall be Mrs Isobel McKinlay Cameron.

ACCOUNTS

18. The directors shall from time to time in accordance with Sections 148, 150 and 157 of the Companies Act 1948 and Section 16 to 22 of the Companies Act 1967 ensure to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

AUDIT

19. Auditors shall be appointed and their duties regulated in accordance with Sections 159 to 156 of the Companies Act 1948 and Sections 13 and 14 of the Companies Act 1967.

INDEMNITY

20. In addition to the indemnity contained in Clause 126 of Part I of Table A and subject to the provisions of Section 205 of the Companies Act 1948, every director, managing director, agent, auditor, secretary and other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred by him in or about the execution and discharge of the duties of his office.