

THE COMPANIES ACT 1985

**COMPANY LIMITED BY GUARANTEE AND NOT
HAVING A SHARE CAPITAL**

ARTICLES OF ASSOCIATION

of

**ELECTRONICS SCOTLAND LIMITED (Registered Number 203101)
("the Company")**

(Adopted 14th March 2002)

INTERPRETATION

1. (A) The regulations contained in Table C in The Companies (Tables A to F) Regulations 1985 shall not apply to the Company.

- (B) In these articles:-

"the Act" means the Companies Act 1985 and any statutory re-enactment or amendment thereof.

"the Membership Coordinator" means such employee or officer of the Company as the directors of the Company shall by a simple majority decision (at a board meeting or by way of a written resolution which may be signed in counterpart) nominate from time to time to exercise the powers and carry out the duties specified in these articles in respect of such person.

"person" means any natural person, any legal person, body or organisation incorporated or unincorporated or any other person.

"secretary" means any person appointed to perform the duties of the secretary of the Company.

"the United Kingdom" means Great Britain and Northern Ireland.

"Working Day" means any day from Monday to Friday inclusive, which is not a local or public holiday.

Expressions referring to writing shall, unless the contrary appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires, words or expressions contained in these articles shall bear the same meaning as in the Act in force at the date at which these articles become binding on the Company.

Words importing a particular gender include any genders.

MEMBERS

2. On the date of the adoption of these articles the Company has two members but the Membership Coordinator may from time to time register any number of additional members in accordance with the provisions of these articles.
3. The provisions of Sections 352 and 353 of the Act shall be observed by the Company, and every member of the Company shall sign a written consent to become a member.
4. Subject to the other provisions of these articles, the following persons shall be members of the Company:-
 - (A) Such persons as may be duly registered as members of the Company on the date of adoption of these articles; and
 - (B) Any other person who wishes to be admitted to, or continue his, membership and fulfils such conditions as may be prescribed from time to time by the

directors and who, in respect of each relevant membership period, delivers to

the Company a duly completed and signed application for admission to or

continuance of the category of membership then applicable for such person,

framed in such terms as the Membership Coordinator (acting on behalf of the secretary) shall require, provided that the directors may refuse any such application without indicating any reason therefor. In the event that any such person making such an application satisfies all the foregoing conditions specified in this Article 4 (B) and his application is not refused by the directors then he shall be entered by the Membership Coordinator (acting on behalf of the secretary) as a member of the Company in the register of members.

5. (A) Any member may terminate his membership of the Company by notice in writing served on the Company and thereupon he shall be deemed to have resigned and his name shall be removed from the Register of Members. No member shall have the power to assign or transfer his membership of the Company or any privilege, benefit or interest arising out of such membership.

- (B) If any member shall fail in the observance of these Articles or of any regulations of the Board made under any powers vested in them or for other sufficient reason the Board may convene an Extraordinary General Meeting of the Company for the purpose of considering an Extraordinary Resolution for the expulsion of such member and on such Extraordinary Resolution being passed the name of such member shall be removed from the Register of Members, and he shall thereupon cease to be a member.

- (C) Notwithstanding the provisions of sub-Article (B) above, any member may be removed from the Company by summary notice in writing given by the directors if:-
- (a) one annual subscription or any part thereof shall remain due and payable but unpaid to the Company for such period as the directors shall from time to time decide; or
 - (b) if, being an individual, he dies, becomes of unsound mind or is adjudged bankrupt by his estate or sequestrated or he suspends payment or compounds with his creditors;
 - (b) if, being a firm, the estates of the firm or of any of the partners are sequestrated or the firm suspends payment or compounds with its creditors;
 - (d) if, being a company, organisation, institution or trust, it is wound up or dissolved (except to the extent that the assets and liabilities of any such organisation or institution are statutorily transferred in which event the organisation or institution to which the said assets and liabilities are statutorily transferred (or if more than one, the principal one) shall be entitled to become a member of the Company upon delivering to the Company written consent to become a member) or if a receiver or administrator is appointed to any of its property, assets or undertakings.

GENERAL MEETINGS

6. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notice calling it, and not more than fifteen months shall elapse

between the date of one annual general meeting and that of the next, provided that so long as the Company holds its first annual general meeting within eighteen months of the date of its incorporation, it need not hold it in the year of its incorporation. The annual general meeting shall be held at such time and place as the directors shall appoint.

7. All general meetings other than annual general meetings shall be called extraordinary general meetings.
8. The directors may, whenever they think fit, convene general meetings. They shall also on a members' requisition forthwith proceed to call an extraordinary general meeting or, in default, it may be convened by such requisitionists as provided by the Act.

NOTICES OF GENERAL MEETINGS

9. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least and a meeting of the Company other than an annual general meeting or a meeting for the passing of a special resolution shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under Article 48 of these articles entitled to receive such notices from the Company.

Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed in writing by all the members entitled to attend and vote thereat.

10. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any member entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

9. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors, the appointment of the secretary from time to time, in the place of those retiring and the appointment of, and the fixing of the remuneration, of the auditors.
12. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum necessary for the transaction of business may be fixed by the Company by ordinary resolution. Save as so fixed or herein otherwise provided a majority of members for the time being entitled to vote present in person shall be a quorum.
13. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the directors may determine.

14. The chairman, if any of the board of directors shall preside as chairman at every general meeting of the Company, or if there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the directors present shall elect one of their number to be chairman of the meeting.
15. If at any meeting no director is willing to act as chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be chairman of the meeting.
16. The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other

than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

17. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-

- (a) by the chairman; or
- (b) by any member or members present in person and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting.

Unless a poll be so demanded a declaration by the chairman that a resolution has on

a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

18. Except as provided in Article 19, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

19. A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

20. Subject to the provisions of the Act a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorised representatives) shall be

as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.

VOTES OF MEMBERS

21. Each member shall have one vote.

22. (A) Except as otherwise expressly provided herein, no person other than a member duly registered shall be entitled to be present or to vote on any question, either personally or by proxy or as proxy to another member at any General Meeting.

- (B) Any corporation which is a member of the Company may by resolution of its governing body authorise such person as it thinks fit to act as its representative at any meeting of the company and the person so authorised shall be entitled to exercise the same voting powers on behalf of the corporation he represents as that corporation could have exercised if it were a personal member of the

Company. A corporation represented at a meeting by its authorised

representative shall be deemed for all purposes to be present in person. A copy of the resolution appointing its representative which shall be certified as a correct copy by the Chairman or another recognised officer of the governing body of a corporation shall be conclusive evidence of such appointment.

23. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee, receiver, curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court, and any such committee, receiver, curator bonis or other person may, in a poll, vote by proxy.
24. On a poll, votes may only be given personally and not by proxy.

SUBSCRIPTIONS

25. Each member shall pay an annual subscription upon a date to be determined by the directors.
26. The annual subscription shall be such amount as shall be determined by a majority of directors present and entitled to vote at a meeting of the directors.
27. Failure to pay a subscription or any other sums due hereunder or pursuant hereto may render a member liable to suspension or cancellation in terms of Article 35 hereof and, without prejudice to the foregoing such unpaid sums shall incur interest at the rate of 3 per cent above the base rate from time to time of the Bank of Scotland from the due date until paid.

DIRECTORS AND THEIR APPOINTMENT AND REMOVAL

28. The minimum number of the directors shall be determined by the Company in general meeting but failing such determination shall be one. The Company may by ordinary resolution from time to time appoint any number of persons who are willing to be directors either to fill a vacancies or as additional directors. The Company may from time to time by ordinary resolution remove any number of directors. In the event of the minimum number of directors fixed

by or pursuant to these articles being one, a sole director shall have authority to exercise all the powers and discretions by these Articles expressed to be vested in the directors generally.

CHAIRMAN

29. The directors shall elect a chairman of their Board and he shall take the chair at their meetings. If at any meeting the chairman is not present, the directors will choose one of their number to be chairman of their meeting.

BORROWING POWERS

30. The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking and property, 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.

POWERS AND DUTIES OF DIRECTORS

31. The business of the Company shall be managed by the directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Act or these articles and to such regulations, being not inconsistent

with the aforesaid provisions, as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the directors which would have been valid if that regulation had not been made.

32. The directors may from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the directors may think fit and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him.

33. The directors shall have power to create, should the directors so desire, an Advisory Council or Councils or Committee or Committees to act along with them and/or advise them on any or all of the objects of the Company provided always that the creation, constitution, membership and continuance of any such Advisory Council or Committee or the individual membership thereof shall be entirely at the discretion of the directors.

34. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed as the case may be, in such manner

as the directors shall from time to time by resolution determine.

35. Without prejudice to the general power of the directors to manage the Company the Membership Coordinator shall have the power to cancel or suspend the

membership of any member at any time who shall have failed to make payment of any sum due pursuant to Articles 25, 26 or 27 hereof and in any such circumstances the decision of the Membership Coordinator shall be final. The directors shall have the power to cancel or suspend the membership of any member at any time whose conduct in the opinion of the directors shall be unbecoming to a member of the Company and in any such circumstances the decision of the directors shall be final.

36. The directors shall cause minutes to be made in books provided for the purpose -
- (a) of all appointments of officers made by the directors;
 - (b) of the names of the directors present at each meeting of the directors and of any committee of the directors;
 - (c) of all resolutions and proceedings at all meetings of the Company, and of the directors, and of committees of directors and of any said Advisory Council or Committee;

DISQUALIFICATION OF DIRECTORS

37. The office of director shall be vacated if the director:-
- (a) without the consent of the Company in general meeting holds any other office of profit under the Company; or
 - (b) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) becomes prohibited from being a director by reason of any order made under the Company Directors Disqualification Act 1986 or any other legislation; or
 - d) becomes of unsound mind; or

- e) resigns his office by notice in writing to the Company; or
- f) ceases to be a director by virtue of any provision of the Act;
- g) is directly or indirectly interested in any contract with the Company and fails to declare the nature of his interest in manner required by the Act;

A director shall not vote in respect of any contract in which he is interested or any matter arising thereout, and if he does so vote his vote shall not be counted.

RETIREMENT OF DIRECTORS

38. There shall be no age limit for directors of the Company and the directors shall not be subject to retirement by rotation or otherwise.

PROCEEDINGS OF DIRECTORS

39. The directors may meet together for the dispatch of business at least once every three months but may otherwise meet, adjourn, and regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the directors. It shall not be necessary to give notice of a meeting of directors to any director for the time being absent from the United Kingdom.
40. The quorum necessary for the transaction of the business of the directors may be fixed by the Company by ordinary resolution and unless so fixed shall be a majority of the directors for the time being.
41. The continuing directors may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles of the Company as the necessary quorum of directors, the continuing directors or director may act for the purpose of increasing the number of directors to that

number but for no other purpose.

42. A resolution in writing, signed (whether on one document or in counterpart) by all the directors for the time being entitled to receive notice of a meeting of the directors, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.

SECRETARY

43. Subject to the Act the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.
44. A provision of the Act or these articles requiring or authorising a thing to be done by or to a director and the secretary shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, the secretary.

THE SEAL

45. The Company shall not have a seal.

ACCOUNTS

46. The directors shall from time to time determine whether and to what extent and at which times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being directors, and no member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred
by
statute or authorised by the directors or by the Company in general meeting.

NOTICES

10. (A) Any notice required or permitted to be given pursuant to these Articles shall be sufficiently given to the intended recipient of such notice if sent in a legible form by
- facsimile transmission ("fax"), first class or express registered post ("post"), or by personal delivery, including courier delivery, to the fax number or to the postal address of such intended recipient within the United Kingdom last notified in writing to the sender or by electronic mail with the sender's certified electronic signature (in accordance with section 7 of the Electronic Communications Act 2000) attached thereto to the said intended recipient's electronic mailbox.
- (B) Any notice served shall be deemed to have been received:-
- (a) in the case of fax, one hour after the time of despatch, evidenced by the relevant completed transmission report;
 - (b) in the case of post, thirty-six hours from midnight (24.00 hrs) on the date of posting, evidenced by the relevant proof of posting;
 - (c) 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;
 - (d) in the case of such electronic mail, when it is first stored in the other party's electronic mailbox, evidenced by the sender's electronic notification receipt.
- (C) Where the deemed day of receipt of a notice is not a Working Day or where deemed receipt occurs at the place of delivery on a Working Day but after 1800hrs, that notice shall be deemed to have been received at 0930hrs on the next Working Day.
48. Notice of every general meeting shall be given in any manner hereinbefore authorised to:-

- (a) every member except those members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them;
- (e) every person being a legal personal representative or a trustee in bankruptcy of
 - a member where the member but for his death; or bankruptcy would be entitled
 - to receive notice of the meeting; and
- (f) the auditors for the time being of the Company;
- (d) the directors of the Company.

No other person shall be entitled to receive notices of general meetings.

INDEMNITY

49. Subject to the provisions of the Act but without prejudice to any other indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with an application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

DISSOLUTION

50. Clause 8 of the Memorandum of Association of the Company shall have effect as if the provisions thereof were repeated in these Articles.

