

COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION OF

MID DEESIDE LIMITED

(Company No. SC170657)

(As amended by special resolution passed on 21 February 2009)

INTERPRETATION

1. In these regulations:

“the Act” means the Companies Act 1985, including any statutory modification or re-enactment thereof for the time being in force.

“the Articles” means the Articles of the Company.

“clear days” in relation to the period of notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

“executed” includes any mode of execution.

“office” means the Registered Office of the Company.

“the seal” means the Common Seal of the Company.

“secretary” means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint assistant or deputy secretary.

“the United Kingdom” means Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.

MEMBERS

2. The Subscribers to the Memorandum of Association of the company and such other persons as are admitted to membership in accordance with the Articles shall be members of the Company. Any person interested in actively furthering the objects of the Company shall be entitled to admission as a member of the Company on delivering to the Company an application executed by him for membership and in

such form (if any) as the Directors may require, and to pay the subscription set by the Directors.

3. A person may at any time withdraw from the Company on giving at least seven clear days' notice.

GENERAL MEETINGS

4. All general meetings other than annual general meetings shall be called extraordinary general meetings.

5. The directors shall convene general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting.

6. The directors shall convene the first annual general meeting within one year of the Company's formation.

NOTICE OF GENERAL MEETINGS

7. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least twenty one clear days' notice. All other extraordinary general meetings shall be called by a least fourteen clear days notice but a general meeting may be called by shorter notice if it is so agreed:

(a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority of two thirds of the members having a right to attend and vote.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

The notice shall be given to all the members and to the directors and auditors.

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

PROCEEDINGS AT GENERAL MEETINGS

9. No business shall be transacted at any meeting unless a quorum is present. Ten persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member, shall be a quorum.

10. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the directors may determine. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

11. The chairman, if any, of the Board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting but is neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

12. If 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 and entitled to vote shall choose one of their number to be a chairman.

13. A director shall be entitled to have notice of and to attend and speak at any general meeting.

14. The chairman may, with the consent of a 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 meeting shall be transacted at an adjourned meeting other than business which might properly have been transacted had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

15. A resolution put to the vote of a general meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

(a) by the chairman, or

(b) by at least two members having the right to vote at the meeting, or

(c) by a member or members representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting and a demand by a person as proxy for a member shall be the same as a demand by a member.

16. On a show of hands every member present in person shall have one vote. On a poll every member present in person or by proxy shall have one vote.

17. Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or most, or not carried by a particular majority, and an entry to that effect on the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

18. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

19. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

20. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

21. 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 either forthwith or at such time or place as the chairman directs, not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of the meeting for the transaction other than the question on which the poll was demanded. If the poll is demanded before the result of the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

22. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

23. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it as if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

VOTES OF MEMBERS

24. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may not vote, whether on a show of hands or on a poll.

25. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

26. An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

“.....(Address)

I/We,
being a member/members of Mid Deeside Limited, hereby appoint
of
or failing him of
as my/our proxy to vote in my/our name(s) and on my/our behalf at the
annual/extraordinary general meeting of the company to be held on 19 ,
and at any adjournment thereof.

Signed19...”

27. Where it is desired to afford members an opportunity of instructing the proxy how he shall act, the instrument appointing the proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

“.....(Address)

I/We,
being a member/members of Mid Deeside Limited, appoint
of
or failing him of
as me/our proxy to vote in my name/our name(s) and on my/our behalf at the
annual/extraordinary general meeting of the Company to be held on 19 ,
and any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 *for *against
Resolution No 2 *for *against *Strike out whichever is not desired

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed thisday of19...”

28. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

- (a) be deposited at the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll, or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director.

And an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

29. A vote given or poll demanded by proxy shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

NUMBER OF DIRECTORS

30. Unless otherwise determined by ordinary resolution, the number of directors shall be subject to a maximum of twelve but shall not be less than three.

31. The directors of the Company shall comprise:

- (a) ex officio a director nominated by Aberdeenshire Council from the Members representing the area of benefit;
- (b) ex officio a director nominated by one of the Community Councils of the area of benefit; and
- (c) those persons appointed directors by the members.

32. At the first annual general meeting one half of the directors who are not ex officio shall retire from office and at every subsequent annual general meeting one half of the directors who are subject to retirement by rotation or if their number is not two or a multiple of two the number nearest to one half shall retire from office: but if there is only one director who is subject to retirement by rotation, he shall retire.

33. Subject to the provisions of the Act, the directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last re-appointed directors on the same

day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

34. All retiring directors will be eligible for re-appointment for a maximum period of three consecutive years, and thereafter shall be eligible for appointment for a second maximum period of three consecutive years. Thereafter any director shall be eligible for re-election after an interval of one year.

35. A written communication signed by the Chief Executive or other responsible officer of Aberdeenshire Council and of Mid Deeside Community Council and notifying the name of the representatives thereof and of any appointment of directors shall be sufficient evidence to the Company of his or their qualifications as directors and of any facts relevant to his or their vacation of office under Article 36.

36. A person's office as a director shall be vacated if:

- (a) he ceases to be eligible for appointment as a director under Article 33, or his appointment has been recalled,
- (b) he resigns office by notice to the Company, or
- (c) he otherwise comes within the terms of any of the provisions of Regulation 81 of Table A annexed to the Companies (Tables A to F) Regulations 1985.

DIRECTORS' EXPENSES

37. The directors may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors, or general meetings, or separate meetings, or otherwise in connection with the discharge of their duties.

REMUNERATION OF DIRECTORS

38. Subject to Articles 39-41 below, a person shall not be entitled to any remuneration in respect of his fulfilling the ordinary duties of a director of the Company. He shall be entitled however to reasonable remuneration and out of pocket expenses in respect of any special duties of an investigatory, advisory, management or executive character undertaken by him at the request of the Board of Directors.

DIRECTORS' APPOINTMENTS AND INTERESTS

39. Subject to the provisions of the Act, the directors may appoint any person to the office of manager. All remunerated appointments will be advertised in the local press and any serving director so appointed will offer his resignation forthwith. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such person for his services as they think fit.

40. Subject to the provisions of the Act, and provided that he has disclosed to the director the nature and extent of any material interest of his, a director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any transactions or arrangement with the Company or in which the Company is otherwise interested,
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested, and
- (c) shall be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate but shall be entitled to retain such benefit and interest except to the extent that the Directors may appoint.

41. For the purposes of Regulation 38:

- (a) A general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction to the nature and extent so specified, and
- (b) An interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

POWERS OF DIRECTORS

42. Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum and Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

43. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they may determine, including authority for the agent to delegate all or any of his powers.

DELEGATION OF DIRECTORS' POWERS

44. The directors may not delegate their powers in relation to the appointment of the Company's chief executive should one be appointed and the quorum for such appointment will be two thirds of the number of directors entitled to be present and to vote; otherwise the directors may delegate any of their powers to any committee

consisting of one or more directors. They may also delegate to any manager such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

PROCEEDINGS OF DIRECTORS

45. Subject to the provisions of the Articles, the directors may regulate their proceedings as they may think fit. A director may, and the secretary, at the request of a director, shall call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

46. A quorum for the transaction of the business of the directors may be fixed by the directors and, unless so fixed at any other number, shall be a simple majority of all the Directors holding office from time to time.

47. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

48. The directors may appoint one of their own number to be the chairman of the Board of Directors and may at any time remove him from that post. Unless he is unable or is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors may appoint one of their number to be chairman of the meeting.

49. All bona fide acts done by a meeting of directors, or a committee of directors, or by a person acting as a director, shall, notwithstanding that it afterwards be discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed and was duly qualified and had continued to be a director and had been entitled to vote.

50. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors.

51. Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which

conflicts or may conflict with the interests of the Company, unless his interest or duty arises only because the case falls within one or more of the following paragraphs:

(a) The resolution relates to the giving to him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of the Company or any of its subsidiaries.

(b) The resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the company or any of its subsidiaries for which a director has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by giving of security.

(c) His interest arises by virtue of his subscribing or agreeing to subscribe for any debentures of the Company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such debentures by the Company or any of its subsidiaries for subscription, purchase or exchange.

(d) The resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes.

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company) connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointer shall be treated as an interest of the alternate director, without prejudice to any interest which the alternate director has otherwise.

52. A director shall not be counted in the quorum at a meeting in relation to a resolution on which he is not entitled to vote.

53. The Company may by ordinary resolution, suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

54. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution, except that concerning his own appointment.

55. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be decided by a majority of the directors whose ruling in relation to any director shall be final and conclusive.

56. The meetings and minutes of directors shall be open to members except where confidentiality is temporarily appropriate. Once confidentiality is no longer necessary relevant minutes will be made open to members retrospectively. Agenda, time and locus of Directors meetings will be published.

SECRETARY

57. Subject to the provisions of 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.

58. The directors shall convene meetings for members at six monthly intervals.

MINUTES

59. The directors shall cause minutes to be made in books kept for the purposes:

- (a) of all appointments of officers made by the directors, and
- (b) of all proceedings at meetings of the Company, and of the directors, and of committees of directors, including the names of directors present at each such meeting.
- (c) all minutes of Directors meetings shall be available to members, unless precluded by a temporary need for confidentiality, at the office of *Kincardine and Deeside Enterprise Trust*

THE SEAL

60. The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and, unless otherwise so determined, it shall be signed by a director and by the secretary or by a second director.

ACCOUNTS

61. (a) A member shall have the right to inspect at the office of *Kincardine and Deeside Enterprise Trust* during normal business hours the annual accounts of the Company: otherwise no member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

(b) The Company shall cause true accounts to be kept of all sums of money received and expended by it, and of its assets and liabilities and the books of account shall be kept at the registered office of the company and subject to any reasonable restrictions shall be open to inspection of the members.

NOTICES

62. Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing in exceptional circumstances.

63. The Company may give any notice to any director or to any member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address.

64. A director or a member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting, and where requisite, of the purposes for which it was called.

65. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

66. Subject to the provisions of the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other office or auditor of the Company shall be indemnified out of the assets of the Company against 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 any 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.

Name and Address and Description of Subscriber:

Neil Roderick Allan
Advocate in Aberdeen
"Wellbank"
Old Ballater Road
Aboyne

"Neil R Allan"

Dated: Sixth day of December 1996

Witness to the above signature "Peter Murray"
Peter Murray
Solicitor
14 Albyn Place
Aberdeen