

**Company number: 04990167**

**THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
OF  
1-25 SCHOOL LANE MANAGEMENT COMPANY LIMITED**



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**(Adopted by special resolution passed on 2 July 2021)**

**1. Interpretation**

1.1 In these Articles, the following words and expressions shall have the following meanings unless the context otherwise requires:

<b>"Act"</b>	the Companies Act 2006;
<b>"Adoption Date"</b>	the date of the adoption of these Articles;
<b>"Articles"</b>	these articles of association (including the provisions of the Model Articles incorporated herein) in each case as amended from time to time in accordance with the provisions of these Articles and the Act and also includes any other articles of association of the Company from time being in force;
<b>"Business Day"</b>	any day (other than a Saturday, Sunday or public holiday in England);
<b>"Company"</b>	1-25 School Lane Management Company Limited a limited liability company incorporated and registered in England and Wales;
<b>"Conflict"</b>	has the meaning given to that term in Article 9.1;
<b>"Director"</b>	the directors for the time being of the Company or a quorum of such directors present at a duly convened meeting of the directors;
<b>"Disposal"</b>	the sale of the whole or substantially the whole of the undertaking or assets of the Company;
<b>"Eligible Director"</b>	a director who is or would be entitled to be counted as participating for quorum and voting purposes on the matter or decision at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter) and references to "eligible directors" in article 8 of the Model Articles shall be construed accordingly;
<b>"Exit"</b>	the earlier to occur of:  (a) the date and time at which an agreement for a Disposal is completed; or

- (b) the date and time at which an agreement for a Sale is completed;

<b>"Incoming Owner"</b>	any person who has purchased a freehold interest in a Property;
<b>"Model Articles"</b>	the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to and in force at the date of adoption of these Articles;
<b>"Owner"</b>	any person who possesses the freehold interest in any Property (including any successor in title to any such person and the personal representatives of any such person);
<b>"Property"</b>	<p>Each of the properties:</p> <ul style="list-style-type: none"><li>a. 1 &amp; 11 School Lane, Poynton. registered at HM Land Registry with the number CH521083;</li><li>b. 3 &amp; 13 School Lane, Poynton. registered at HM Land Registry with the number CH521082;</li><li>c. 5 &amp; 7, 5a, 5b and 15 School Lane, Poynton. registered at HM Land Registry with the number;</li><li>d. 9 &amp; 17, School Lane, Poynton. registered at HM Land Registry with the number CH521077;</li><li>e. 19 &amp; 23, School Lane, Poynton. registered at HM Land Registry with the number CH517989;</li><li>f. 21 &amp; 25, School Lane, Poynton. registered at HM Land Registry with the number CH517863,</li></ul> <p>together the Properties;</p>
<b>"Sale"</b>	the making of one or more agreements (whether conditional or not) for the disposal, transfer, purchase, subscription or renunciation of any part of the share capital of the Company giving rise to a Change of Control and for the purposes of this definition " <b>disposal</b> " shall mean a sale, transfer, assignment or other disposition whereby a person ceases to be the absolute beneficial owner of the share in question or voting rights attached thereto or an agreement to enter into such disposal or the grant of a right to compel entry into such an agreement;
<b>"Retiring Owner"</b>	has the meaning given in Article 19.1.1;
<b>"Shareholder"</b>	a registered holder of any Shares from time to time;
<b>"Shares"</b>	means the ordinary shares of £1 each in the capital of the Company being subject to the rights and restrictions set out in these Articles;
<b>"Transfer Notice"</b>	a notice in accordance with Article <b>Error! Reference source not found.</b> that a Shareholder desires to transfer his Shares.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "**Article**" is a reference to the relevant article of these Articles unless expressly provided otherwise.

- 1.5 In these Articles a reference to any “**person**” includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists).
- 1.6 Words importing the singular include the plural and vice versa and words importing a gender include every gender.
- 1.7 The Contracts (Rights of Third Parties) Act 1999 shall not apply to or in relation to any rights arising under these Articles.
- 1.8 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- 1.8.1 any subordinate legislation from time to time made under provision or subordinate legislation is a reference to it as it is in force from time to time, taken it; and
- 1.8.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.9 Any phrase introduced by the terms “**including**”, “**include**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.10 These Articles and the provisions of the Model Articles (subject to any modifications set out in these Articles) shall constitute all the articles of association of the Company.
- 1.11 A reference in these Articles to a “**shareholder**” is to a registered holder of an issued share in the capital of the Company from time to time, as recorded in the register of members of the Company.
- 1.12 Articles 8, 9(4), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2) and (3), 24(5)(a), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.13 Article 7 of the Model Articles shall be amended by:
- 1.13.1 the insertion of the words “for the time being” at the end of article 7(2)(a) of the Model Articles; and
- 1.13.2 the insertion in article 7(2) of the Model Articles of the words “(for so long as he remains the sole director)” after the words “and the director may”.
- 1.14 Article 20 of the Model Articles shall be amended by the insertion of the words “(including alternate directors) and the secretary” before the words “properly incur”.
- 1.15 In article 25(2)(c) of the Model Articles, the words “evidence, indemnity and the payment of a reasonable fee” shall be deleted and replaced with the words “evidence and indemnity”.
- 1.16 Article 27(3) of the Model Articles shall be amended by the insertion of the words “, subject to article 10,” after the word “But”.
- 1.17 Article 29 of the Model Articles shall be amended by the insertion of the words “, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2),” after the words “the transmittee’s name”.
- 1.18 A reference in these Articles to “**writing**” shall include documents in hard copy, facsimile and/or email form but shall not include any other representation or reproduction of words, symbols or other information in electronic form and the definition contained in the Model Articles shall be modified accordingly.

- 1.19 Articles 31(1)(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words “either” and “or as the directors may otherwise decide”.

## **2. Unanimous decisions**

- 2.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter. Once a unanimous decision has been taken, it shall be treated as if it had been a decision taken at a directors' meeting.
- 2.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 2.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such meeting.

## **3. Calling a directors' meeting**

Any director may waive his entitlement to notice of a directors' meeting, either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of the meeting or of any business conducted at it.

## **4. Number of Directors and quorum**

- 4.1 Unless and until determined otherwise by a members' resolution, the minimum number of Directors shall be one and the maximum shall be 6.
- 4.2 The quorum at any meeting of the Directors shall be 2 Directors, except in the event that the number of Directors is less than 2, and in such circumstances the quorum shall be the number of Directors in office at that time.
- 4.3 No business shall be conducted at any meeting of the Directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not present within 30 minutes of the time specified for the relevant meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned for 5 Business Days at the same time and place or to such time and place as the Directors determine.

## **5. Appointment and termination of Directors**

- 5.1 Subject to Article 5.2, each of the Shareholders shall, being an individual, be entitled to appoint or maintain in office himself to be a Director, being a body corporate, shall appoint or maintain in office a natural person to be Director and (subject to Article 5.3) to remove such Director so appointed.
- 5.2 Where more than one person is jointly an Owner (and therefore jointly an owner of the corresponding Share) such joint holders shall be entitled to nominate only one of their number as a Director.
- 5.3 The office of a Director shall be vacated if:

- 5.3.1 resigns his office by notice in writing to the Company;
- 5.3.2 becomes bankrupt or enters into any arrangements with his creditors;
- 5.3.3 is prohibited from being or is disqualified as a Director by an order made under any provision of the Insolvency Act 1986 or the Company Disqualification Act 1986;
- 5.3.4 becomes of unsound mind;
- 5.3.5 is removed from office by a resolution duly passed under section 168 of the Act;
- 5.3.6 ceases to be a Shareholder; or
- 5.3.7 ceases to be an Owner.

## **6. Voting at directors' meetings**

- 6.1 A decision taken at a meeting of the Directors is by a majority of votes of the eligible directors participating in the decision at the meeting.
- 6.2 Each Director participating in a decision at a meeting of the Directors has one vote.

## **7. Casting vote**

If the numbers of votes for and against a proposal at a meeting of Directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

## **8. Transactions or other arrangements with the Company**

- 8.1 Provided that he has declared the nature and extent of any interest of his (or any conflict or potential conflict of interest) to the extent required from time to time by the Companies Acts, a Director notwithstanding his office:
  - 8.1.1 may enter into, be a party to, or otherwise interested in, any contract, transaction or arrangement with the Company or in which the Company is otherwise in any way (whether directly or indirectly) interested (including any transaction or arrangement with any group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested;
  - 8.1.2 shall be an eligible director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of any contract, transaction, or arrangement or proposed contract, transaction or arrangement in which he is interested;
  - 8.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of any contract, transaction or arrangement or proposed contract, transaction or arrangement in which he is interested and if he does so his vote shall be counted and (whether or not he shall vote) he may be taken into account in ascertaining whether a quorum is present;
  - 8.1.4 may act by himself or any firm or body corporate in which he is a member, officer, employee or consultant, may act in a professional capacity (otherwise than as auditor) for the Company or any body corporate in which the Company is in any way interested and he such firm or company shall be entitled to remuneration for professional services as if he were not a Director;
  - 8.1.5 may be a director or other officer of, or member of, or employed or engaged by, hold shares or other securities in or be a party to a transaction or arrangement with, or otherwise interested in, any body corporate unincorporated association, business or undertaking in any jurisdiction in which the Company is otherwise (directly or

indirectly) interested;

- 8.1.6 may participate in any scheme, transaction or arrangement for the benefit of employees or former employees of the Company or any group undertaking of the Company (including any pension fund or retirement, death or disability scheme or other bonus or employee benefit scheme);
  - 8.1.7 may act as a trustee of any scheme for the benefit of employees or former employees of the Company or any group undertaking of the Company (including any pension, retirement, death or disability scheme or other bonus or employee benefit scheme); and
  - 8.1.8 shall not by reason of his office be accountable to the Company for any benefit, profit or remuneration which he (or a person connected with him (as defined in section 252 of the Companies Act 2006)) derives from any contract, transaction or arrangement or any office, service, employment or from any matter or circumstance described in Articles 8.1.1 to 8.1.7 (inclusive) and no contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest, conflict of interest, potential conflict of interest or benefit nor shall the receipt of any such benefit, profit or remuneration constitute a breach of his duty under section 176 of the Companies Act 2006.
- 8.2 For the purposes of Article 8.1 a notice complying (mutatis mutandis) with the provisions of sections 177(2) and/or sections 182(2) of the Companies Act 2006 shall be deemed to be sufficient disclosure by such Director, or, if otherwise, a general notice to the Directors that a Director is to be regarded as having an interest, a conflict of interest or a potential conflict of interest of the nature and extent specified in the notice shall be deemed to be sufficient disclosure by such Director of the same. 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.
- 8.3 A Director, notwithstanding his office, may be a director or other officer of, a member of, employed by, or otherwise interested in any body corporate, unincorporated association, business or undertaking whatsoever in any jurisdiction (an “**Outside Interest**”) and may not be required to disclose to the Company any information in the nature of confidential information of or relating to such Outside Interest or which he is restricted from providing by reason of any obligation of confidentiality owed by such director to the Outside Interest from time to time.

## **9. Directors’ conflicts of interest**

- 9.1 The Directors may, in accordance with the requirements set out in this Article 9, authorise any matter, situation or circumstance proposed to them by or in respect of any Director which would, if not authorised, involve a Director (an “**Interested Director**”) breaching his duty under section 175 of the Act to avoid conflicts of interest (a “**Conflict**”).
- 9.2 Any authorisation under this Article 9 will be effective only if:
- 9.2.1 the matter in question shall have been proposed for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may from time to time determine;
  - 9.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - 9.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director’s vote had not been counted.
- 9.3 Any authorisation of a Conflict under this Article 9 may (whether at the time of giving the authorisation or subsequently):



- 9.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 9.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
  - 9.3.3 provide that the Interested Director may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution related to the Conflict;
  - 9.3.4 otherwise be subject to such terms and for such duration, or impose such limits or conditions (including on the Interested Director) as the directors may determine;
  - 9.3.5 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit; and
  - 9.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 9.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict and the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act solely by acting in accordance with such terms, limits and conditions (if any) as the directors may impose in respect of its authorisation.
- 9.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 9.6 Without prejudice to Article 8.3, in authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:
- 9.6.1 disclose such information to the directors or to any director or other officer or employee of the Company; or
  - 9.6.2 use or apply any such information in performing his duties as a director,
- where to do so would amount to a breach of that confidence.
- 9.7 Without prejudice to Article 8.1.8, a Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with any relationship, matter or circumstance involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract, transaction or arrangement shall be liable to be avoided on such grounds.
- 9.8 For the avoidance of doubt, the shareholders may by ordinary resolution, authorise any matter which would constitute a Conflict.
- 10. Records of decisions to be kept**
- 10.1 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

- 10.2 Except as provided by law or authorised by the Directors or by ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

## **11. Appointment and removal of alternate directors**

- 11.1 Any director (an "**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

11.1.1 exercise that director's powers; and

11.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the Directors, in the absence (and only in the absence) of the alternate's appointor.

- 11.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.

- 11.3 The notice must:

11.3.1 identify the proposed alternate; and

11.3.2 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.

## **12. Rights and responsibilities of alternate directors**

- 12.1 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 and in particular shall have one vote at in respect of any decision at any Directors' meeting on behalf of each appointor who is not participating in such Directors' meeting (but only if his appointor is an eligible director in relation to that decision).

- 12.2 Except as the Articles specify otherwise, alternate directors:

12.2.1 are deemed for all purposes to be Directors;

12.2.2 are liable for their own acts and omissions;

12.2.3 are subject to the same restrictions as their appointors; and

12.2.4 are not deemed to be agents of or for their appointors,

and, in particular, 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 shareholder.

- 12.3 A person who is an alternate director but not a Director:

12.3.1 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);

12.3.2 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 if the alternate director is himself an eligible director in relation to the decision); and

12.3.3 shall not be counted as more than one director for the purposes of Articles 12.3.1 and

12.3.2.

- 12.4 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).
- 12.5 An alternate director may be reimbursed expenses and may be indemnified by the Company to the same extent as he might properly be reimbursed or indemnified if he were a director but shall not be 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.

**13. Termination of alternate directorship**

An alternate director's appointment as an alternate terminates:

- 13.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate (and in the absence of any such specification shall be deemed to terminate upon deemed receipt by the Company of that notice);
- 13.2 on the occurrence, in relation to the alternate, of any event specified in Article 5;
- 13.3 on the death of the alternate's appointor; or
- 13.4 when the alternate's appointor's appointment as a director terminates.

**14. Secretary**

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

**15. Corporate representatives**

A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such a person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company. The person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member.

**16. Shareholders**

- 16.1 No person may be a Shareholder other than an Owner.
- 16.2 Where two or more persons are jointly the Owners of a Property they together constitute one Shareholder, and the person first named in the register of members may exercise all voting and other rights and powers vested in that Shareholder to the exclusion of the other joint Owner in respect of that Property. All such Owners shall be subject jointly and severally to any liability imposed on that Shareholder under or pursuant to the Articles.
- 16.3 Where a person is an Owner of more than one Property he shall (except where the Articles provide otherwise) be treated under the Articles as a separate Shareholder in respect of each Property as the case may be.

**17. Issue of Shares**

- 17.1 Subject to the extent authorised by these Articles, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in

the Company.

- 17.2 Article 22(1) of the Model Articles shall be amended by removal of the words "ordinary resolution" and the insertion of the words "special resolution" in its place.
- 17.3 No person shall be entitled to become a Shareholder unless the Share or Shares for which such person is subscribing has been or will be on issue fully paid up.
- 17.4 The discretion of the Directors contained in this Article as to the allotment and disposal of and the granting of any option over the Shares shall in any event be subject to the provisions of any agreement relating thereto binding on the Company from time to time and any directions contained in any resolution creating such Shares.
- 17.5 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).

## **18. Share rights**

- 18.1 The Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends. A dividend must not be declared by the Company unless the Directors have made a recommendation as to its amount and such dividend must not exceed the amount recommended by the Directors. The Shareholders shall be entitled to receive all cash dividends that may be declared from time to time by the Company to be apportioned proportionately to the number of Shares held by each Shareholder.
- 18.2 On a return of capital (except in respect of a redemption or purchase by the Company of any Shares), the proceeds or (as applicable) the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Shares in proportion to the percentage of Shares held by them in the Company.
- 18.3 As regards general meetings, each holder of Shares shall be entitled to receive notice of and to attend general meetings of the Company.
- 18.4 As regards an Exit, in the event of an Exit where the exit involves the sale of 100% of Shares in the Company or where there is a Disposal of all the undertaking and assets of the Company then, notwithstanding anything to the contrary in the terms and conditions governing such an Exit the Shareholders immediately prior to such Exit shall procure that the consideration (whenever received) or in the case of a Disposal the sums by way of distribution which are to be paid out to the Shareholders, shall be placed in a designated trustee account and shall be distributed amongst the holders of the Shares *pari passu* as if the same constituted one class of share in proportion to the percentage of Shares held by them in the Company.
- 18.5 As regards voting, every holder of Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote on a show of hands and on vote on (i) a poll taken at general meetings or (ii) a written resolution every holder of Shares so present shall have one vote for each Share held by him.

## **19. Transfer of Shares**

- 19.1 A Share may only be and shall be transferred in the following circumstances, namely:
- 19.1.1 immediately upon a Shareholder of the Company ceasing to be an Owner (the **"Retiring Owner"**), he shall forthwith be deemed to have issued a notice to the Company (a **"Transfer Notice"**) in respect of the Share held by him relating to the Property in question. Such Transfer Notice will constitute the Company as the agent of the Retiring Owner in the sale of the Share; and
  - 19.1.2 upon the issue of a Transfer Notice under article 19.1.1, the Directors shall be entitled to nominate in writing a Director who shall forthwith be deemed to be duly appointed as the attorney of the Retiring Owner with full power in his name and on his behalf to execute, complete and deliver to the Incoming Owner a transfer of the Share relating to the Property in question held by the Retiring Owner and a form of resignation of the Retiring Owner as a Director (if appropriate) and the Company may enter the name of the Incoming Owner on the Register of Members as the holder of the Share so transferred.
- 19.2 The Directors shall refuse to register a transfer of any Share if the transferee is not an Owner but shall otherwise register such transfer provided that the instrument of transfer is accompanied by the certificate in respect of the Share to which it related, and such other evidence as the Directors may reasonably require to show the right of the Retiring Owner to make such transfer.
- 19.3 The price to be paid upon any transfer of a Share shall be the nominal value thereof.
- 19.4 If the Directors refuse to register a transfer of a Share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
- 19.5 If the holder of any Share or any other person or persons entitled or required to transfer the same refuses or neglects to transfer any Share in accordance with these Articles then the holder shall cease to be entitled to exercise any of the rights and privileges of a Shareholder and the chairman for the time being of the Directors or failing him one of the Directors shall forthwith be deemed to be the duly appointed attorney of that Shareholder or other person with full power in his name and on his behalf to execute, complete and deliver a transfer to the person to whom it should be transferred hereunder against payment of the price therefor to the Company (which the Company shall hold on trust for the transferor thereof subject to delivery to the Company of the certificate or certificates relating to such Shares) and the Company may enter the name of the transferee in the register of members as the holder by transfer of the said Share or Shares.
- 19.6 The registration of transfers of Shares or of transfers of any class of shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Directors may determine.
- 19.7 No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any Share.
- 19.8 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.
- 20. Liability of Shareholders**
- The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.
- 21. Proceedings at general meetings**
- 21.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be

2 persons present in person or by proxy.

21.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

21.3 The Company shall at least once in each year hold a general meeting as its 'annual general meeting' in addition to any other general meetings it holds and shall specify the meeting as such in the notices calling it. Not more than 15 months shall elapse between the date on one annual general meeting of the Company and that of the next.

## **22. Poll votes**

22.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

22.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

## **23. Proxies**

23.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than one hour before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

23.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

## **24. Means of communication to be used**

24.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

24.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or 5 Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

24.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

24.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

24.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

24.2 For the purposes of Article 24.1, no account shall be taken of any part of a day that is not a working day.

- 24.3 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

## **25. Indemnity**

- 25.1 Subject to Article 25.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- 25.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act) (if any),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

- 25.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 25.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 25.2 This Article 25 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

- 25.3 In this Article 25:

- 25.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

- 25.3.2 a "**relevant officer**" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

## **26. Insurance**

- 26.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

- 26.2 In this Article:

- 26.2.1 a "**relevant officer**" shall have the meaning attributed to that term in Article 25.3.1;

- 26.2.2 a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share

scheme of the Company or associated company; and

26.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

**27. Borrowing Powers**

The directors may exercise all the powers of the Company (whether express or implied) to borrow and/or secure the payment of money, to guarantee the payment of money, the fulfilment of obligations and the performance of contracts and to mortgage or charge the property, assets and uncalled capital of the Company, and to issue debentures, debenture stock and all other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.