THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

NORTH EAST PROPERTY PARTNERSHIP LIMITED

adopted by special resolution passed on 19 March 2021

INTERPRETATION AND APPLICATION OF MODEL ARTICLES

1. **Interpretation**

1 1 In these Articles, unless the context otherwise requires

"**A Director**" means a Director appointed by the Parent pursuant to Article 3 1,

"**A Majority**" means, at any time, holders of A Shares entitled to 75 per cent. or more of the votes entitled to be cast by the holders of A Shares at a general meeting of Holdings at that time,

"**A Shares**" means the ordinary shares of £0 01 each in the capital of Holdings, as set out in the articles of association of Holdings,

"**A Shareholder Instruction**" means written instruction from the A Majority to Holdings,

"**Act**" means the Companies Act 2006,

"**Anchorage**" means NW UK (2010) Anchorage Limited, a company incorporated in Jersey under registered number 105979 whose registered office is at 22 Grenville Street, St Helier, Jersey JE4 8PX, being the holder of 100 per cent. of the A Shares at the date of the adoption of these Articles,

"**Articles**" means the Company's articles of association for the time being in force,

"**B Director**" means a Director appointed by the Parent pursuant to Article 32,

"**B Majority**" means, at any time, holders of B Shares entitled to 75 per cent or more of the votes entitled to be cast by the holders of B Shares at a general meeting of Holdings at that time,

"**B Shares**" means ordinary shares of £0 01 each in the capital of Holdings, as set out in the articles of association of Holdings,

"**B Shareholder Instruction**" means written instruction from the B Majority to Holdings,

"**business day**" means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

"**Business Plan**" has the meaning given to it in the Shareholders Agreement,

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"**Company**" means North East Property Partnership Limited,

"**Director**" means a member of the board of directors of the Company,

"**Encumbrance**" has the meaning given to it in the Shareholders Agreement,

"**eligible director**" means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter),

"**Exit**" has the meaning given to it in the Shareholders Agreement,

"**Group**" means the Parent, the Company and each of its subsidiaries from time to time,

"**Holdings**" means UK Land Estates Partnership (Holdings) Limited, a limited liability company incorporated in England and Wales under registered number 07698363, and holder of 100 per cent of the share capital of the Parent at the date of adoption of these Articles,

"**Leaver**" means a holder of B Shares who ceases to be a director, employee, shareholder, LLP member, partner and officer of any member of the UKLES Group for any reason,

"**Managers**" means each of CW, Keith Taylor, Philp Moorin and Adrian Bartle (or any of them, as the context may require),

"**Model Articles**" means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles,

"**Parent**" means UK Land Estates Partnership Limited, a limited liability company incorporated in England and Wales under registered number 04393103, and holder of 100 per cent of the Shares at the date of adoption of these Articles,

"**Permitted Interest**" has the meaning given to it in the Shareholders Agreement,

"**Property Management Agreement**" has the meaning given to it in the Shareholders Agreement,

"**Refinancing Documents**" has the meaning given to it in the Shareholders Agreement,

"**Relevant Agreements**" has the meaning given to it in the Shareholders Agreement,

"**Shares**" means shares in the share capital of the Company,

"**Shareholders Agreement**" means the agreement dated the same date as the date of adoption of these Articles between Anchorage, the Managers and the Company regulating the interests of Anchorage and the Managers in relation to Holdings,

"**UKLES**" means UK Land Estates (Services) Limited, a company incorporated in England and Wales under registered number 03983158,

"**UKLES Group**" means UKLES LLP and all of its subsidiaries at the relevant time (including, as at the date of adoption of these Articles, UKLES),

"**UKLES LLP**" means UKLES LLP, a limited liability partnership incorporated in England and Wales under registered number 0C351077,

1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meaning 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. A reference in these Articles to a "Model Article" is a reference to the relevant article of the Model Articles

1 5 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

(a) any subordinate legislation from time to time made under it, and

(b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

1 6 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 7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.

1 8 Model Articles 7(1), 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 21, 26(5), 44(2), 52 and 53 shall not apply to the Company.

DIRECTORS

2. **Number of Directors**

2 1 Subject to Articles 3 3 and 8, the Board shall comprise seven Directors, as follows

(a) four persons to be A Directors, and

(b) three persons to be B Directors,

who shall be appointed or removed from office as set out in Articles 3 3 and 3 5

3. **Appointment and removal of Directors**

3 1 The Parent (acting on the written instruction of Holdings pursuant to A Shareholder Instruction) shall be entitled at any time and from time to time

(a) to appoint up to four persons to be Directors, and

(b) to remove any such person appointed by them from office and to appoint someone else in that person's place or in the place of any such Director so appointed who vacates office for any reason or dies

Such Directors and their alternate(s) shall be the "**A Directors**"

3 2 Subject to Articles 3 3 and 8, the Parent (acting on the written instruction Holdings pursuant to B Shareholder Instruction) shall be entitled at any time and from time to time

(a) to appoint three persons to be a Director, and

(b) to remove any such person appointed by them from office and may appoint someone else in that person's place or in the place of any such Director so appointed who vacates office for any reason or dies

Such Directors and their alternate(s) shall be the "**B Directors**"

3 3

(a) Any B Director must be an employee or a member of the entity, or group of entities, providing property management services to the Group at the relevant time, provided that, for so long as the Property Management Agreement is in force, Stephen Smith may be a B Director,

(b) a Leaver may not be a B Director, and

(c) any person who, in the reasonable opinion of a majority of the A Directors, has a material interest in a competitor of the Group (other than solely by way of a Permitted Interest) may not serve as a B Director,

and any B Director who ceases to fulfil the requirements of paragraphs (a) to (c) above shall immediately and automatically cease to be a Director (without prejudice to the right of the B Majority to appoint another B Director in that person's place)

3 4 No Director shall be appointed otherwise than as provided in this Article 3

3 5 Any appointment, approval or removal of a Director under this Article 3 shall be made by notice in writing served on the Company and signed by or on behalf of the person(s) appointing, approving or removing the Director. Any such appointment, approval or removal shall take effect when the relevant notice is produced and noted at a meeting of the Directors or is received at the registered office of the Company, or at such later time as is specified in the notice in the case of a corporation the notice may be signed on its behalf by a director or the secretary of the corporation or by its duly appointed attorney or duly authorised representative

4. **Alternate Directors**

4 1 The Parent, in accordance with the written instruction of Holdings pursuant to A Shareholder Instruction or B Shareholder Instruction may at any time appoint a person to be an alternate of any A Director or B Director, respectively, (provided that any alternate B Director shall fulfil the requirements of Article 3 3) and shall be subject to the prior approval of the Board and may at any time terminate any such appointment. Any such alternate need not be approved by resolution of the Directors. An alternate may represent one or more Directors and, when acting as such representative, shall be able to attend meetings and vote as a Director in place of such Director or Directors

4 2 The appointment of an alternate shall terminate if the Director for whom he is an alternate ceases for any reason to be a Director or on the happening of any event which would cause him to vacate office if he were a Director

4 3 An alternate Director is entitled (subject to the Company having received contact details for such alternate Director)

(a) to receive notice of any meeting of Directors or of any committee of the Directors of which his appointor is a member (whether or not he is absent from the United Kingdom) as to which his appointer has notified the company secretary in writing that the appointer expects the alternate to attend in his place,

(b) to attend any meeting of Directors or of any committee of the Directors at which the Director for whom he is an alternate is not present in person or by conference telephone (or similar communications equipment),

(c) to one vote at meetings of the Directors or of any committee of the Directors for each Director for whom he acts as alternate (in addition to his own vote if he is a Director) save that an alternate counts as only one for the purposes of determining whether a quorum is present at any such meeting,

(d) to sign any written resolution of the Directors on behalf of every Director whom he represents as well as on his own account if he is himself a Director, and

(e) generally to perform all the functions, powers and duties of the Director for whom he is an alternate in his absence,

provided that paragraphs (c) and (d) above only entitle an alternate to vote on or sign resolutions which his appointor is entitled to vote on or sign

4 4 An alternate is entitled to be paid expenses and to be indemnified to the same extent as if he were a Director but he shall not be entitled to receive any remuneration from the Company for his services in such capacity

4 5 Any appointment or removal of an alternate shall be by notice from the Parent (acting in accordance with the written instruction of Holdings pursuant to A Shareholder Instruction or B Shareholder Instruction, as applicable) to the Company or in any other manner approved by the Directors. Any such notice may be left at or sent by post to the registered office of the Company or email or delivered at a meeting of the Directors or in any other manner approved by the Directors

4 6 Every person acting as an alternate Director shall be an officer of the Company and shall be subject in all respects to the provisions of these Articles relating to Directors. An alternate shall alone be responsible for his own acts and defaults and shall not be deemed to be the agent of the Director for whom he is an alternate

5. Powers of Directors

5 1 Subject to the Act, the Articles, and any directions given by the Company by special resolution, the business and affairs of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of these Articles, and no such special resolution, 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 general powers given by this Article 5 1 shall not be limited or restricted 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

5 2 Subject to Article 9 8, the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and, subject to sections 549 and 551 of the Act and as otherwise provided in these Articles, to issue debentures, loan stock and other securities for any debt, liability or obligation of the Company or of any third party

5 3 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 determine, including authority for the agent to delegate all or any of his powers. Any such appointment may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit

6. Committees

6 1 The Directors may delegate any of their powers, authorities and discretions to committees consisting of a majority of A Directors and at least one B Director. 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. Where a provision of these Articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the Directors to a committee, that provision shall be construed as permitting the exercise of the power, authority or discretion by the committee. The Board may not delegate any of its powers, authorities or discretions other than those relating to routine, day to day management to any individual, whether or not a Director

6 2 Any committee so formed shall, in the exercise of the powers, authorities and discretions so delegated, conform to any regulations which may from time to time be imposed on it by the Directors. Subject to any such regulations, the proceedings of a committee shall be governed by the provisions of these Articles regulating the proceedings of Directors, insofar as they are capable of applying

6 3 Unless agreed by all Directors or by all members of an affected committee, at least five clear days' notice shall be given for a meeting of a committee. A committee member may waive the requirement that notice be given to him or her of a committee meeting, either prospectively or retrospectively. If a quorum is not present within an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the next Business Day at the same time and place, or to such other day and at such other time and place, as the members of the committee may determine and at such meeting the members of the Committee present (provided that more than one member of the Committee attends) shall constitute a quorum provided however that (unless agreed to the contrary by all members of that committee) the matters to be discussed at the adjourned meeting shall only include those matters set out in the agenda of the original meeting Prompt notice of a meeting adjourned for absence of a quorum shall be given to all members of the committee

7. **Executive Directors**

7 1 Without prejudice to Article 3, the Board may from time to time appoint one or more of their number to the office of managing director or to any other executive office and may enter into an agreement or arrangement with any Director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a Director and may revoke or terminate any such appointment. Any such appointment, agreement or arrangement may be made upon such terms as the Board determine. The Board may entrust to and confer upon any such Director or Directors any of the powers, authorities and discretions exercisable by them, ether collaterally with or to the exclusion of their own powers

8. **Disqualification of Directors**

Without prejudice to the provisions of Articles 3 1(b), 3 2(b) and 3 3, the office of a Director shall be vacated if

(a) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a director or is removed from office pursuant to Article 3 3,

(b) he resigns his office by notice to the Company,

(c) in the case of the executive director, he ceases to be employed by Holdings, the Parent, any of its subsidiaries or any member of the UKLES Group,

(d) he becomes, in the opinion of all the other Directors, incapable by reason of illness (including, without limitation, mental illness or disorder) or injury of managing or administering any property or affairs of his own or of the Company and the Directors resolve that his office be vacated,

(e) he becomes bankrupt or makes any arrangement or composition with his creditors generally, or

(f) he has been absent for more than six consecutive months without the permission of the Directors from meetings of Directors held during that period and his alternate Director (if any) has not during this period attended any meetings instead of him, and the Directors resolve that his office be vacated

9. **Proceedings of Directors**

9 1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. Any Director at any time may, and the company secretary at the request of a Director shall, call a meeting of the Directors. Every Director shall receive notice of any meeting, whether or not he is absent from the United Kingdom Unless agreed by all Directors, not less than five clear days' notice in writing shall be given of all meetings of the Directors. A Director may waive the requirement that notice be given to him of a Board meeting, ether prospectively or retrospectively. All meetings of the Directors shall be held at the registered office of the Company or at such other place in mainland United Kingdom as may be notified by the Parent (acting on the written instruction of Holdings pursuant to A Shareholder Instruction) to the Directors

9 2 Each notice convening a meeting of the Directors shall

(a) be sent to the address notified from time to time by each Director to the company secretary (or if none has been supplied, to his last known address),

(b) specify the time and venue for the meeting; and

(c) contain an agenda specifying in reasonable detail the matters to be discussed at the meeting and shall be accompanied by any relevant papers for discussion at the meeting.

9 3 The quorum for the transaction of the business of the Directors is one A Director and one B Director, each of whom must be present throughout the meeting. A meeting of the Directors at which a quorum is present is competent to exercise all powers, authorities and discretions for the time being vested in or exercisable by the Board. This Article 9 3 shall be subject to Article 98. The A Majority shall be entitled to instruct the Parent to appoint up to three representatives to attend as observers at each and any meeting of the Directors and such persons shall be entitled to all information and to speak and to hear at any such meeting as if he or she were a Director

9 4 If within half an hour of the time appointed for a meeting of the Directors a quorum is not present, the meeting shall stand adjourned to the next business day at the same time and place unless otherwise agreed by all the Directors. At the adjourned meeting the quorum shall be any one A Director, provided however that (unless agreed to the contrary by all Directors) the matters to be discussed at the adjourned meeting shall only include those matters set out in the agenda of the original meeting. Without prejudice to the foregoing provisions of this Article 9 4, prompt notice of a meeting adjourned for absence of a quorum shall be given to all Directors

9 5 The chairman of the Board from time to time shall be a Director appointed (and may be removed) by a majority of the Board. The Director so appointed shall preside at every meeting of Directors at which he is present if there is no Director holding the office of chairman, 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 present may appoint another Director to be chairman of the meeting

9 6 Save as permitted by Article 9 11, all decisions of the Directors or of any committee of the Directors shall be made only by formal resolution at a meeting properly convened and held and, save as may be agreed by all the Directors (or, in the case of a meeting of a committee of Directors, by all members of that committee). in any particular case, no business or resolution shall be transacted or passed at any meeting of the Directors or any committee of the Directors except as was fairly disclosed in the agenda for that meeting

9 7 Subject to Article 9 8, all questions arising at any meeting of the Directors shall be decided by a majority of votes of those Directors in attendance. At any meeting of Directors each of the Directors shall have one vote, provided that, if at any time the number of A Directors at any meeting shall be equal to or less than the number of B Directors at that meeting, the A Directors at present at the meetings shall have one more vote than the total number

of votes entitled to be cast by the B Directors present at that meeting. The chairman shall not have a second or casting vote

9 8 Notwithstanding Article 9 7 or any other Article, the following matters shall only proceed or be decided if approved in writing by the Parent (acting on the written instruction of Holdings pursuant to A Shareholder Instruction)

(a) any increase or reduction or other alteration whatsoever in the authorised or issued Share capital,

(b) the granting of any option to subscribe for, or acquire, Shares or the issue of any securities convertible into Shares or the entering into of any agreement for the same,

(c) the purchase or redemption of any Shares or other securities,

(d) the creation of any subsidiary or subsidiary undertaking or effecting or permitting the disposal or dilution of the Company's interest in any subsidiary or subsidiary undertaking or any consolidation or amalgamation with any other company,

(e) entering unto any partnership, joint venture, consortium or similar arrangement,

(f) selling, transferring, leasing, licensing or otherwise disposing of the whole or any material part of (or any interest in) the Company's / Group's business, undertaking, properties or other assets,

(g) the borrowing of any moneys or the incurring of any Indebtedness (other than (i) in accordance with the relevant Business Plan, (ii) normal trade credit in the ordinary course of its business and (iii) under the Refinancing Documents) or factor or in any other way dispose of or encumber any of its book debts,

(h) the granting, creating or allowing to arise of any mortgage, charge, debenture, security, lien or other Encumbrance over any of its assets (other than in the ordinary course of business, including under the Refinancing Documents, or non-material security interests arising by operation of law),

(i) the giving of any guarantee, bond or indemnity in respect of, or to secure liabilities of, any person (other than pursuant to the Refinancing Documents),

(j) acquiring or disposing of any interest in real property;

(k) granting or entering into of any licence, agreement or arrangement concerning any part of its name or trading names or the goodwill attaching to the same,

(l) entering into or making any material change to any contract or arrangement, which:

(i) is outside the ordinary course of the Company's business,

(ii) is unusual or onerous, or

(iii) is of a long-term nature (that is a contract or arrangement which it cannot terminate, in accordance with its terms, within twelve months),

(m) exercising any discretion in respect of the provisions of these Articles relating to the transfer of Shares,

(n) any change of name of any subsidiary of the Company from time to time,

(o) the cessation, or any material change to the nature or geographical area of, any business operation,

(p) determining not to enforce (where the Company or the Board has a right to enforce), or vary or take any action in respect of, any of the Company's rights under the Relevant Agreements,

(q) the acquisition of any share capital or other securities of any body corporate, and

(r) the making of any political or charitable contribution,

and the following matters shall only proceed or be decided if approved in writing by the Parent (acting on the written instruction of Holdings pursuant to B Shareholder Instruction)

(s) the alteration of the Articles in any manner (other than to correct a manifest error or as envisaged by Clause 14 of the Shareholders' Agreement), and

(t) the re-registration of the Company as a public company, other than in connection with an Exit

9 9 Any Director may participate in a meeting of Directors or a committee of Directors of which he is a member by means of conference telephone or similar communications equipment which enables all persons participating in the meeting to hear and speak to each other throughout the meeting A person participating in this way is deemed to be present in person at the meeting, may be counted in the quorum and is entitled to vote Subject to the Act, all business transacted in this way by the Directors or a committee of Directors is for the purposes of these Articles deemed to be validly and effectively transacted at a meeting of the Directors or of a committee of Directors, even though fewer than two Directors are physically present at the same place The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting is located at that time.

9 10 Full minutes of every meeting of the Directors and of every committee of the Directors shall be kept by the company secretary and shall be circulated to every Director for approval within 21 days after any such meeting (subject to any other arrangement agreed by all Directors at the time) The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors

9 11 All acts done by a meeting of Directors, or of a committee of Directors, or by any person acting as a Director or as a member of a committee are, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any person so acting or that any such person was disqualified or had vacated office, or was not entitled to vote, as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the relevant committee and had been entitled to vote

10. Directors' written resolutions

10 1 Decisions of the Directors may be taken in the form of a Directors' written resolution Any Director may propose a Directors' written resolution and the company secretary (if any) must propose a Directors' written resolution if a Director so requests A Directors' written resolution is proposed by giving notice of the proposed resolution to the Directors Notice of a proposed Directors' written resolution must indicate:

(a) the proposed resolution, and

(b) the time by which it is proposed that the Directors should adopt it.

10 2 Notice of a proposed Directors' written resolution must be given in writing to each Director A proposed Directors' written resolution is adopted when all the Directors have signed one or more copies of it, provided that those Directors would have formed a quorum at a meeting held to pass such resolution it is immaterial whether any Director signs the resolution before or after the time by which the notice proposed that it should be adopted The resolution may be set out in one document or in several documents in similar form each signed by one or more Directors Once a Directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a Directors' meeting in accordance with these Articles

11. **Remuneration of Directors**

The Directors are entitled to such remuneration as the Board may determine and, unless such determination provides otherwise, such remuneration shall accrue from day to day.

12. **Directors' expenses**

Subject to due authorisation and approval by the Board, the Directors may be paid all reasonable travelling, hotel and other incidental expenses of attending meetings of the Directors or committees of the Directors or general meetings or separate meetings of the holders of any class of Shares or of debentures of the Company or otherwise in connection with the discharge of their duties

13. **Directors' gratuities and pensions**

Subject to due authorisation and approval by the Board, the Directors may exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director or former Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been its subsidiary or a predecessor in business of the Company or of any such subsidiary and for any member of his family (including a spouse or former spouse) or any person who is or was dependent on hmm, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit No Director or former Director shall be accountable to the Company or the Members for any benefit provided pursuant to this Article 13 and the receipt of any such benefit shall not disqualify any person from being or becoming a Director

14. **Transactions or other arrangements with the Company**

Subject to sections 177(5) and (6) and sections 182(5) and (6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

(a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

(b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,

(c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any written resolution procedure, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,

(d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,

(e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

(f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with hmm (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any

(g) such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such Interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

15. **Directors' conflicts of interest**

15 1 The Directors may, in accordance with the requirements set out in this Article 15, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid conflicts of interest (a **Conflict**).

15 2 Any authorisation under this Article 15 will be effective only if

(a) the matter in question shall have been proposed by any Director for consideration at a meeting of Directors 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 determine,

(b) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question, and

(c) the matter was agreed to without his voting or would have been agreed to if his vote had not been counted

15 3 Any authorisation of a Conflict under this Article 15 may (whether at the time of giving the authorisation or subsequently)

(a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,

(b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and

(c) be terminated or varied by the Directors at any time.

This will not affect anything done by the Director in accordance with the terms of the authorisation prior to such termination or variation

15 4 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

(a) disclose such information to the Directors or to any Director or other officer or employee of the Company, or

(b) use or apply any such information in performing his duties as a Director

15 5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director

(a) is excluded from discussions (whether at meetings of Directors or otherwise) related to the conflict,

(b) is not given any documents or other information relating to the Conflict, and

(c) 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 relating to the Conflict

15 6 Where the Directors authorise a Conflict.

(a) the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and

(b) the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 (inclusive) of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation

15 7 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 a relationship 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 shall be liable to be avoided on such grounds

15 8 For the purposes of this Article 15, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.

15 9 Subject to Article 15 10, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive

15 10 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

16. Acceptance of benefits from third parties

Each Director may accept any benefits from a third party which are conferred by reason of his being a Director or his doing (or not doing) anything as a Director, provided that such benefits conferred by such third party on such Director (whether in cash or otherwise) are in aggregate less than £200 in value for the relevant financial year For the purposes of section 176(4) of the Act, any aggregated benefits conferred by a third party for the relevant financial year below this value shall not be regarded as likely to give rise to a conflict of interest.

17. Directors' discretion to make further rules

Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors

18. Company secretary

The Directors may (but need not) appoint any person who is willing to act as the company 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.

SHARES AND SHARE CAPITAL

19. **Directors' Authority to Allot Shares**

19 1 The directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company at such times and generally on such terms and subject to such conditions as they think fit, except that this general authority

(a) does not permit the directors to allot shares or rights to subscribe for or convert any security into shares the nominal value of which is in an amount which is in excess of £1,000, and

(b) unless previously renewed, varied or revoked by the Company in general meeting, will expire on the date which is five years from the date of adoption of these Articles, save that the directors may, after this authority expires, allot relevant securities pursuant to an offer or agreement made by the Company before such authority expired

19 2 The pre-emption provisions of sections 561 and 562 of the Act shall not apply to any allotment of the Company's equity securities made under Article 19 1

20. **Company's lien over shares**

20 1 The company has a lien (the company's lien") over

(a) every share which is partly paid for any part of

(i) that share's nominal value, and

(ii) any premium at which it was issued,

which has not been paid to the company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it, and

(b) all shares (whether partly or fully paid) registered in the name of any person indebted or under any liability to the Company, whether he is the sole holder of such shares or one of several joint holders (in which case such lien shall extend to all moneys presently payable by him or his estate to the Company)

20 2 The company's lien over a share

(a) takes priority over any third party's interest in that share, and

(b) extends to any dividend or other money payable by the company in respect of that share and (if the lien is enforced and the share is sold by the company) the proceeds of sale of that share.

20 3 The directors may at any time decide that a share which is or would otherwise be subject to the company's lien shall not be subject to it, ether wholly or in part

20 4 Articles 20.1 to 20.3 shall not apply to a Relevant Transfer (as defined in Article 20.5.1) and the Company shall not have a lien on any shares that are subject to a mortgage, charge or other security in favour of a Secured Party (as defined in Article 20.5.2).

20 5 In this Article 20:

20.5.1 a "**Relevant Transfer**" means any transfer of shares from or to any Secured Party or any receiver (or similar officer) and any transfer of shares executed by

any such person in the name of, or on behalf of, any other person which, in each case, is made pursuant to or in accordance with the relevant security document(s), including (without limitation) any such transfer made in order to perfect any mortgage, charge or other security interest in such shares or in exercise of any power of sale or other enforcement power; and

20.5.2 a "**Secured Party**" means, in respect of any shares, any person to which such shares have been mortgaged or charged (or in favour of which any other security interest in such shares has been created) and any nominee, agent or trustee of or for any such person."

21. **Enforcement of the company's lien**

21 1 Subject to the provisions of this Article, if.

(a) a lien enforcement notice has been given in respect of a share, and

(b) the person to whom the notice was given has failed to comply with it, the company may sell that share in such manner as the directors decide

21 2 A lien enforcement notice

(a) may only be given in respect of a share which is subject to the company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

(b) must specify the share concerned,

(c) must require payment of the sum payable within 14 days of the notice,

(d) must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and

(e) must state the company's intention to sell the share if the notice is not complied with

21 3 Where shares are sold under this Article

(a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser, and

(b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

21 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

(a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,

(b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale for any money payable in respect of the shares after the date of the lien enforcement notice

21 5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the company's lien on a specified date

(a) is conclusive evidence of the facts stated in it as against all persons clamming to be entitled to the share, and

(b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share

22. **Call notices**

22 1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a "call notice") to a member requiring the member to pay the company a specified sum of money (a "call) which is payable in respect of shares which that member holds at the date when the directors decide to send the call notice

22 2 A call notice

(a) may not require a member to pay a call which exceeds the total sum unpaid on that member's shares (whether as to the share's nominal value or any amount payable to the company by way of premium);

(b) must state when and how any call to which it relates it is to be paid, and

(c) may permit or require the call to be paid by instalments

22 3 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.

22 4 Before the company has received any call due under a call notice the directors may

(a) revoke it wholly or in part; or

(b) specify a later time for payment than is specified in the notice, by a further notice in writing to the member in respect of whose shares the call is made

23. **Liability to pay calls**

23 1 Lability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid

23 2 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share

23 3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them

(a) to pay calls which are not the same, or

(b) to pay calls at different times

24. **When call notice need not be issued**

24 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share (whether in respect of nominal value or premium)

(a) on allotment;

(b) on the occurrence of a particular event, or

(c) on a date fixed by or in accordance with the terms of issue

24 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

25. **Failure to comply with call notice: automatic consequences**

25 1 If a person is liable to pay a call and fails to do so by the call payment date

(a) the directors may issue a notice of intended forfeiture to that person, and

(b) until the call is paid, that person must pay the company interest on the call from the call payment date at the relevant rate.

25 2 For the purposes of this Article

(a) the "call payment date" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date,

(b) the "relevant rate" is

(i) the rate fixed by the terms on which the share in respect of which the call is due was allotted,

(ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or

(iii) if no rate is fixed in either of these ways, 5 per cent per annum

25 3 The relevant rate must not exceed by more than percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

25 4 The directors may waive any obligation to pay interest on a call wholly or in part

26. **Notice of intended forfeiture**

26 1 A notice of intended forfeiture

(a) may be sent in respect of any share in respect of which a call has not been paid as required by a call notice,

(b) must be sent to the holder of that share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,

(c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,

(d) must state how the payment is to be made; and

(e) must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

27. **Directors' power to forfeit shares**

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

28. **Effect of forfeiture**

28 1 Subject to the Articles, the forfeiture of a share extinguishes

(a) all interests in that share, and all claims and demands against the company in respect of it, and

(b) all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the company.

28 2 Any share which is forfeited in accordance with the Articles

(a) is deemed to have been forfeited when the directors decide that it is forfeited,

(b) is deemed to be the property of the company, and

(c) may be sold, re-allotted or otherwise disposed of as the directors think fit

28 3 If a person's shares have been forfeited

(a) the company must send that person notice that forfeiture has occurred and record it in the register of members,

(b) that person ceases to be a member in respect of those shares,

(c) that person must surrender the certificate for the shares forfeited to the company for cancellation,

(d) that person remains liable to the company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and

(e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal

28 4 At any time before the company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit

29. **Procedure following forfeiture**

29 1 If a forfeited share is to be disposed of by being transferred, the company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer

29 2 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and

(b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share

29 3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share

29 4 If the company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the company the proceeds of such sale, net of any commission, and excluding any amount which

(a) was, or would have become, payable, and

(b) had not, when that share was forfeited, been paid by that person in respect of that share, but no interest is payable to such a person in respect of such proceeds and the company is not required to account for any money earned on them

30. **Surrender of shares**

30 1 A member may surrender any share

(a) in respect of which the directors may issue a notice of intended forfeiture,

(b) which the directors may forfeit, or

(c) which has been forfeited

30 2 The directors may accept the surrender of any such share

30 3 The effect of surrender on a share is the same as the effect of forfeiture on that share.

30 4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited

31. **Replacement Share Certificates**

In Model Article 25(2)(c), the words "evidence, Indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence, indemnity and the payment of the Company's reasonable expenses"

32. **Transfer of Shares**

32 1 Subject to Article 32 2 and section 771 of the Act, the directors may, in their absolute discretion, refuse to register the transfer of a share to any person, whether or not it is a fully pad share or a share on which the Company has a lien, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

32 2 The directors have no power pursuant to Article 32 1 to refuse to register any transfer of a fully paid share where such transfer has been approved by notice in writing to the Company signed by or on behalf of any person or persons for the time being holding a majority of the issued shares and the directors shall be bound to, and shall, register such a transfer without delay

32 3 Article 32.1 above shall not apply to a Relevant Transfer (as defined in Article 20.5 above) and the directors shall register any Relevant Transfer promptly upon receipt.

33. **Transmission of Shares**

33 1 Model Article 27(3) shall be amended by the insertion of the words ", subject to Article 3," after the word "But"

33 2 Model Article 29 shall be amended by the insertion of the words ", or the name of any person nominated under Model Article 272)," after the words "the transmittee's name"

34. **Dividends**

34 1 Model Articles 31(a) to (d) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide"

34 2 The Company shall not be responsible for any sums lost or delayed in the course of any payment of dividends

(a) through any bank or transfer system; or

(b) where the payment is made by such other means as the shareholder may direct, where the Company has acted on any such directions,

and Model Article 31(1) is supplemented accordingly

DECISION MAKING BY SHAREHOLDERS

35. **Poll Votes**

35 1 A poll may be demanded ay any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

35 2 Model Article 44(3) 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

36. **Proxies**

36 1 Model Article 45(1)(d) shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours 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"

36 2 Model Article 45(1) 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

ADMINISTRATIVE ARRANGEMENTS

37. **Means of Communication to be used**

37 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

(a) 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 five business days after posting 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 within five business days was guaranteed at the time of

sending and the sending party receives a confirmation of delivery from the courier service provider),

(b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,

(c) if properly addressed and sent or supplied by electronic means, one hour after the document or formation was sent or supplied, and

(d) 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 maternal is available on the website

For the purposes of this Article, no account shall be taken of any part of a day that is not a business day

37 2 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

38. **Indemnity**

38 1 Subject to Article 38.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

(a) 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

(i) in the actual or purported execution and/or discharge of his duties, or in relation to them

including 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

(b) 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 38 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

38 2 This Article 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

38 3 In this Article

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant officer" means any 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)

39. **Insurance**

39 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

39 2 In this Article

(a) 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),

(b) a "relevant loss" means any loss or liability which has 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

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate