

6815807

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HALL FARM WIND FARM LTD



PRELIMINARY

- 1 The following regulations and (subject to their provisions) the regulations contained in Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826), and as otherwise amended prior to the adoption of these Articles as they relate to a private company limited by shares ("**Table A**") constitute the articles of association of the Company
- 2 In regulation 1 of Table A the words 'and the articles' shall be deemed to be added after the words 'these regulations' in each place where they occur
- 3 Regulations 24, 25, 73 to 80 (inclusive), 87, and 94 to 98 (inclusive) and 111 of Table A shall not apply to the Company

SHARES

- 4 As at the date of adoption of these articles of association, the share capital of the Company is £100 divided into 100 ordinary shares of £1 each
- 5 The directors are generally and unconditionally authorised for the purpose of section 80 of the Act to allot relevant securities (within the terms of that section) up to a maximum nominal amount equal to the nominal amount of the authorised but unissued share capital of the Company for the time being. The authority given by this article shall be for five years from the date of the Company's incorporation

GENERAL MEETINGS

- 6 The words 'or a resolution appointing a person as a director' shall be deemed to be omitted from regulation 38 of Table A, and notice of meeting need not be given to the directors (in their capacity as directors) and regulation 38 of Table A shall be deemed to be modified accordingly
- 7 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two persons entitled to vote at the meeting, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum

DIRECTORS' GRATUITIES AND PENSIONS

- 8 The directors may pay, or agree to pay, gratuities, pensions and other retirement, superannuation, death or disability benefits to any director or former director, to any member of his family (including a spouse or former spouse) or to any person who is or was dependent on him, and may contribute to any scheme or fund and pay premiums for the purchase or provision of any such benefits

PROCEEDINGS OF DIRECTORS

- 9 The fifth sentence of regulation 88 of Table A shall not apply to the Company
- 10 A meeting of the directors shall not be validly called unless at least seven clear days' notice of the meeting has been given to every director (including an alternate director) entitled to receive notice of the meeting, or unless he waives the requisite notice. A director (including an alternate director) shall be deemed to have received the requisite

notice if he or his alternate director (or, in the case of an alternate director, his appointor) is present at the meeting

- 11 The words 'But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom' and 'It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom' shall be deemed to be omitted from regulations 66 and 88 respectively of Table A
- 12 The directors (including alternate directors), or any of them, may form, or participate in, a meeting of the directors by means of a conference telephone or any communication equipment which allows all the participants to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be counted in the quorum and be entitled to vote accordingly. The meeting shall be deemed to take place where the group of the highest number of participants is assembled or, if there is no such group, where the chairman of the meeting is then present
- 13 A director may as a director vote and be counted as one of the quorum upon a motion in respect of any transaction or arrangement which he enters into or makes with the Company or in which he is in any way interested

THE SEAL

- 14 Regulation 101 of Table A shall apply only if the Company has a common seal. Whether it does or not, a share certificate may be executed under section 36A (4) of the Act instead of being sealed

NOTICES

- 15 Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be sent both by post and by electronic or facsimile communications to an address or number for the time being notified for that purpose to the person giving the notice
- 16 The words 'instead of his registered address' shall be deemed to be substituted for the words 'but otherwise no such member shall be entitled to receive any notice from the Company' in regulation 112 of Table A
- 17 Regulation 115 of Table A shall apply to a notice posted to a member at his registered address if outside Europe (as defined for the purposes of the Royal Mail) only if it is sent by air mail or by means of an established air courier service

INDEMNITY

- 18 Subject to the provisions of the Act and without prejudice to the provisions of regulation 118 of Table A, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses or liabilities incurred by him in the execution or discharge of his duties or in relation thereto. The Company may purchase and maintain for any such officer or auditor insurance against any liability which by virtue of any rule of law may attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company

1 **DEFINITIONS AND INTERPRETATION**

1 1 In these Articles

"**Board**" means the board of directors of the Company for the time being,

"**Board Meeting**" means a meeting of the Board as from time to time convened in accordance with these Articles,

"**CA 2006**" means the Companies Act 2006 (to the extent for the time being in force),

"**Company**" means Hall Farm Wind Farm Ltd,

"**Director**" means a director of the Company,

"**electronic form**" has the meaning given in section 1168 CA 2006,

"**Shares**" means the ordinary shares of nominal value 50 pence each,

"**Statutes**" means the CA 2006 and every other Act concerning companies and affecting the Company (together, in each such case with any orders, regulations or other subordinate legislation made under them and any statutory modification or re-enactment of them for the time being in force),

"**Table A**" means Table A in the Companies (Tables A to F) Regulations 1985, as amended by, inter alia, the Companies (Tables A to F) (Amendment) Regulations 1985, the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment) (no 2) Regulations 2007, and as applying at the date of adoption of these Articles, and references to **regulations** are to regulations in Table A

1 2 The headings and sub-headings are for convenience only and shall not affect the construction of these Articles

1 3 Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and references to any gender shall include all other genders. References to any person shall include bodies corporate, unincorporated associations, partnerships, governments, governmental agencies and departments, statutory bodies or other entities (in each case whether or not having a separate legal personality) shall include the person's successors

2 **ADOPTION OF TABLE A**

2 1 Subject as hereinafter provided, the regulations shall, except to the extent that they are excluded or modified by the Articles or are inconsistent herewith, apply to the Company and together with the Articles shall constitute the articles of association of the Company

2 2 Regulations 2, 3, 8 to 11 (inclusive), 17, 24, 38, 40, 41, 64, 65 to 69 inclusive, 76 to 79 inclusive, 84 to 87 inclusive, 88 to 90 inclusive, 93 to 98 inclusive, 101, 109, 111 and 118 shall not apply to the Company

2 3 In the event of any ambiguity or inconsistency between the regulations and the Articles, the Articles shall prevail

3 **LIMITED LIABILITY**

The liability of the members is limited to the amount, if any, unpaid on their Shares

4 SHARES

- 4 1 The Directors may not allot, grant options or subscription or conversion rights over, offer or otherwise deal with or dispose of, any new Shares without the prior written consent of each of the Shareholders
- 4 2 No Share (nor interest therein) may be transferred or disposed of by a Shareholder and the Directors shall not register the transfer of any Share unless such transfer or disposal is made in accordance with a prior written agreement between, or with the prior written consent of, each of the Shareholders
- 4 3 Each certificate evidencing Shares of the Company shall be imprinted with a legend notifying third parties of the restriction on transfers and disposals under Article 4 2
- 4 4 The provisions of section 561 CA 2006 shall not apply to the Company
- 4 5 Notwithstanding any provision to the contrary contained in these Articles, any shareholder shall not be restricted from and the directors shall not decline to register any transfer of shares, nor may they suspend such registration, where such transfer
- (i) is to any Secured Party, or
 - (ii) is delivered to the Company for registration by a Secured Party in order to perfect its security over the shares, or
 - (iii) is executed by a Secured Party pursuant to the power of sale or otherwise under such security,

(a "**Secured Party Transfer**") and furthermore notwithstanding anything to the contrary contained in these Articles, no transferor of any shares in the Company (or proposed transferor of such shares) to a Secured Party, and no Secured Party shall be required to offer the shares which are or are to be the subject of any such aforementioned transfer to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the Articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not and, for the avoidance of doubt, Regulation 70 shall not apply insofar as it would prevent or restrict any Secured Party Transfer (or the recognition of any Secured Party Transfer)

Furthermore, notwithstanding anything contained in these Articles, the Company and the directors shall not be entitled to exercise any lien which the Company has in respect of any shares which have been mortgaged, pledged or charged to any Secured Party

If there is any inconsistency between any provision of Articles 4 5 and 4 6 and any provision of any other Articles, the provision of this Article shall apply

- 4 6 For the purposes of this Article "**Secured Party**" means any bank or financial institution (including, without limitation, The Bank of Tokyo-Mitsubishi UFJ, Ltd) to which a security interest has been granted over the shares in the Company, or any nominee, receiver or other entity acting on its behalf "

5 GENERAL MEETINGS

- 5 1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon Subject to Article 5 2, two persons entitled to vote upon the business to be

transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a Shareholder, shall be a quorum, provided that a representative of each of the Shareholders shall be required to be present in order for there to be a quorum

- 5 2 If a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be adjourned for 48 hours at the same time and place
- 5 3 A corporation being a Shareholder shall be deemed to be personally present if represented in accordance with the provisions of section 323 CA 2006
- 5 4 A resolution in writing pursuant to Chapter 2 Part 13 CA 2006 shall be deemed to have been duly executed on behalf of a corporation if signed by one of its directors or by its duly appointed attorney or duly authorised representative or by its secretary. In the case of a Share held by joint holders the signature of any one of them on behalf of all such joint holders shall be sufficient for the purposes of that regulation. The Directors shall cause a record of each resolution in writing, and of the signatures to it, to be entered in a book in the same way as minutes of proceedings of a general meeting of the Company and to be signed by a Director

6 DIRECTORS

- 6 1 Unless otherwise determined by ordinary resolution, the number of Directors shall be four
- 6 2 Each of the Shareholders shall have the right to appoint and maintain in office two Directors and to remove or replace any Director appointed by it. Unless otherwise agreed in writing by the Shareholders, any such removal or appointment shall take effect on the later of (i) the date of the lodgement of a notice in writing (signed by a director or the secretary of the Shareholder lodging the notice in the case of a corporation) to the Company (for the attention of the Chairman) at its registered office or at a Board Meeting and (ii) the effective date contained in such notice
- 6 3 No Director shall be appointed otherwise than as provided in Article 6 2, save with the prior written consent of each of the Shareholders
- 6 4 The office of a Director shall be vacated if he is removed from office under Article 6 2. Regulation 81 shall be extended accordingly

7 ALTERNATE DIRECTORS

- 7 1 Any Director may, by giving notice in writing to the Board and to the Shareholder who did not appoint him, appoint any person (except another Director) as an alternate and may, in the same way, remove an alternate so appointed by him. An alternate shall be entitled to receive notice of all meetings of the Board and attend and vote as such at any meeting at which the Director appointing him is not personally present, and generally in the absence of his appointor to do all the things which his appointor is authorised or empowered to do
- 7 2 A person who holds office only as an alternate Director shall, if his appointor is not present, be counted for the purposes of determining whether there is a quorum of Directors at any meeting as if he were his appointor
- 7 3 If his appointor is for the time being absent from the United Kingdom or otherwise not available the signature of an alternate Director to any resolution in writing of the Directors shall be as effective as the signature of his appointor. An alternate Director shall be deemed to be a Director for the purpose of signing instruments pursuant to Article 10

Save as aforesaid, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles

- 7 4 The provisions of Articles 8 1 to 8 4 (inclusive) and 8 7 shall apply to an alternate Director to the same extent as if he was a Director and for the purposes of those provisions an alternate Director shall be deemed to have an interest which conflicts, or possibly may conflict, with the interest of the Company if either he or his appointor has such an interest. The provisions of Article 13 shall also apply to an alternate Director to the same extent as if he was a Director

8 POWERS AND DUTIES OF DIRECTORS

- 8 1 Subject to the provisions of the Statutes, and provided that he has disclosed to the Directors the nature and extent of any material interest not already required to be disclosed under section 177 or section 182 CA 2006, a Director may be interested directly or indirectly in any actual or proposed transaction or arrangement with the Company or with any other company in which the Company is otherwise interested or in which any company which has an interest in the Company is interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any such other company and he or any firm of which he is a member may act in a professional capacity for the Company or any such other company and be remunerated therefor
- 8 2 For the purposes of Article 8 1, a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified
- 8 3 Where a Director has a direct or indirect interest that conflicts, or may possibly conflict, with the interest of the Company, and such conflict or potential conflict is authorised by the Board pursuant to the Statutes (and subject to any limits or conditions imposed by the Board) or is a conflict of interest falling within section 175 CA 2006 to which Article 8 1 applies (in each case, an authorised conflict), the Director shall not be in breach of the general duties he owes to the Company under the Statutes because he absents himself from any meetings or discussions relating to the authorised conflict, makes arrangements not to receive documents and information relating to the authorised conflict sent or supplied by the Company and/or makes arrangements for such documents and information to be received and read by a professional adviser, fails to disclose to the Board or to any person any information which he obtains otherwise than as a Director and in respect of which he has a duty of confidentiality to another person, and/or fails to use or apply any such information in performing his duties as a Director
- 8 4 Notwithstanding (a) any interest disclosed pursuant to Article 8 1 or (b) any authorised conflict (as defined in Article 8 3), but subject (where relevant) to any limits or conditions imposed by the Board as referred to in Article 8 3, a Director may vote on any actual or proposed matter, transaction or arrangement in which he is so interested or in respect of which he has a conflict or potential conflict which is an authorised conflict, and be included for the purpose of a quorum at any meeting at which the same is considered, and he may retain for his own benefit all profits and advantages accruing to him
- 8 5 The Directors may delegate any of their powers to any committee consisting of at least two Directors, one being appointed by each of the Shareholders and regulation 72 shall be modified accordingly

- 8 6 The Directors may delegate the performance of such functions to such persons as they consider in their absolute discretion reasonable subject to retaining the supervision of the discharge of the delegated functions
- 8 7 A Director who has been appointed to the Board by a Shareholder pursuant to these Articles or any agreement (meaning any agreement between all of the Shareholders of the Company from time to time) in circumstances where the Board is aware, or has been notified, that the Director is such an appointee shall not be taken to be in breach of his fiduciary duty to act in the best interests of the Company (and shall not be in breach of section 175 CA 2006) by reason only that in the performance of his/her duties and exercise of powers, that Director has regard to the interests of that Shareholder
- 8 8 The Directors may pay, or agree to pay, gratuities, pensions and other retirement, superannuation, death or disability benefits to any Director or former Director, to any member of his family (including a spouse or former spouse) or to any person who is or was dependent on him, and may contribute to any scheme or fund and pay premiums for the purchase or provision of any such benefits

9 PROCEEDINGS OF DIRECTORS

- 9 1 Subject to the provisions of these Articles and to any agreement from time to time between the Shareholders, the Directors may regulate their proceedings as they think fit Any Director may, and at the request of a Director the Secretary shall, call a meeting of the Directors
- 9 2 There shall be a Board Meeting at least twice per calendar year
- 9 3 Subject to Article 9 8 and any agreement in writing from time to time between the Shareholders, the quorum for the transaction of business at any Board Meeting shall be two Directors, one being appointed by one of the Shareholders and one being appointed by the other Shareholder
- 9 4 Notice of a Board Meeting shall be deemed to be properly given to a Director if it is given to him in writing at his last known address or by e-mail to his last known e-mail address, or any other address or e-mail address given by him to the Company for this purpose, or by any means authorised in writing by the Director concerned at least seven days prior to the meeting A Director shall be deemed to have received the requisite notice if he is present at the meeting
- 9 5 The notice period for a Board Meeting may be reduced or waived by agreement in writing of all the Directors either prospectively or retrospectively
- 9 6 Each notice of a Board Meeting shall be accompanied by an agenda specifying in reasonable detail the matters to be raised at the meeting and copies of any papers to be discussed at the meeting
- 9 7 Except with the written agreement of all Directors present at a Board Meeting, matters may not be raised and business shall not be conducted in relation to any matter unless such matter(s) are included in the agenda accompanying the notice of that meeting
- 9 8 If within half an hour from the time appointed for a Board Meeting a quorum is not present, the meeting shall be adjourned for 48 hours at the same time and place provided that if the meeting is adjourned on three consecutive occasions, then on such third occasion the Directors present may solely approve the business set out in the notice of such meeting Each Director not present at the meeting shall be notified by the Company

in writing (and may also be so notified by either or both of the Shareholders) of the date, time and place of the adjourned meeting

- 9 9 No business shall be conducted at any Board Meeting unless a quorum is present throughout
- 9 10 A Director absent from a Board Meeting may appoint any person (except another Director) to act as his alternate at the meeting For the purposes of the meeting, the alternate Director shall act as the Director by whom he is appointed and may, in particular, vote in place of such Director
- 9 11 Board Meetings shall be chaired by the Chairman If the Chairman is absent, another Director who is present and who is appointed by the same Shareholder as the Chairman shall act as Chairman for the Board Meeting
- 9 12 Decisions at Board Meetings shall be made by the passing of resolutions Subject to Article 9 13, a resolution is passed if a majority of Directors have voted in favour of it
- 9 13 At a Board Meeting, each Director shall have one vote, but the Chairman shall be entitled to a second or casting vote on any resolution of the Directors where there are equal votes for and against the resolution
- 9 14 Any Director, alternate Director or member of a committee of the Directors may validly participate in a meeting of the Board or a committee of the Board by means of conference telephone or any other form of communications equipment, provided that all persons participating in the meeting are able to hear each other throughout such meeting, or by a series of telephone calls from the Chairman of the meeting or by exchange of communication in electronic form addressed to the Chairman of the meeting
- 9 15 A person so participating by being present or being in telephone communication with or by exchanging communication in electronic form with those in the meeting or with the Chairman of the meeting shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote Such a meeting shall be deemed to take place where the largest group of those participants is assembled, or, if there is no such group, where the chairman of the meeting is
- 9 16 A resolution passed at a meeting held in the above manner, and signed by the Chairman of the meeting, shall be as valid and effectual as if it had been passed at a meeting of the Board (or committee, as the case may be) duly convened and held
- 9 17 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number but, if a quorum as aforesaid is not present, may only act for the purpose of filling vacancies or of calling a general meeting
- 9 18 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors
- 10 **THE SEAL**
- 10 1 If the Company has a common seal, it shall only be used with the authority of the Directors The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by two Directors or by a

single Director in the presence of a witness who attests his signature. The obligation under regulation 6 relating to the sealing of Share certificates shall apply only if the Company has a common seal.

- 10 2 If the Company has a common seal the Company may also have an official seal for use abroad under section 49 CA 2006, where and as the Directors shall determine, and the Company may by writing under the common seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company, for the purpose of affixing and using such official seal, and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the common seal of the Company, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

11 NOTICES

- 11 1 Any notice required by these Articles to be given by the Company shall be given both by post and by electronic mail or facsimile to an address or number for the time being notified for that purpose to the Company and a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed.
- 11 2 In the first sentence of regulation 112 the words "(or at such other address, whether within or outside the United Kingdom, as he may supply to the company for that purpose)" shall be inserted after "registered address". The third sentence of regulation 112 shall be deleted.
- 11 3 Regulation 115 shall apply to a notice posted to a Shareholder at his registered address if outside Europe (as defined for the purposes of the Royal Mail) only if it is sent by air-mail or by means of an established air courier service.
- 11 4 Regulation 116 shall be modified by deleting the words "the address, if any, within the United Kingdom" and inserting in their place the words "the address, if any, whether within or outside the United Kingdom".

12 WINDING-UP

If, on a winding up, there is a division among the Shareholders in specie of the whole or any part of the assets of the Company, the liquidator shall have regard to and give effect to any agreement between the Shareholders as to the proportions in which such assets shall be divided between them and regulation 117 shall be amended accordingly.

13 INDEMNITY

- 13 1 Subject to Article 13 2, a relevant officer of the Company or an associated company shall be indemnified out of the Company's assets against
- (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company, and
 - (b) any other liability incurred by that officer as an officer of the Company or an associated company.
- 13 2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Statutes or by any other provision of law.

- 13 3 In Article 13 1 a "**relevant officer**" means any Director, former Director or other officer of the Company or an associated company (but not its auditor)
- 13 4 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
- 13 5 In Article 13 4
- (a) a "**relevant officer**" means any Director or former Director of the Company or an associated company, any other officer or employee or former officer or employee of the Company or an associated company (but not its auditor), and
 - (b) 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 (within the meaning of Article 13 3)
- 13 6 In this Article, companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate