File Copy

CERTIFICATE OF INCORPORATION
OF A
PRIVATE LIMITED COMPANY

Company Number **9313667**

The Registrar of Companies for England and Wales, hereby certifies that

24 OLD SHOREHAM ROAD (FREEHOLD) LIMITED

is this day incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales

Given at Companies House, Cardiff, on **17th November 2014**

N09313667M

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

Companies House

IN01(ef)

Application to register a company

Received for filing in Electronic Format on the: **14/11/2014**

X3KMIKUX

Company Name in full:	24 OLD SHOREHAM ROAD (FREEHOLD) LIMITED
Company Type:	**Private limited by shares**
Situation of Registered Office:	**England and Wales**
Proposed Register Office Address:	**96 CHURCH STREET** **BRIGHTON** **UNITED KINGDOM** **BN1 1UJ**

I wish to adopt entirely bespoke articles

Company Director 1

Type: **Person**

Full forename(s): **GREGORY JOHN**

Surname: **SHACKLETON**

Former names:

Service Address: **UNIT 3 LEVEL 4, NEW ENGLAND HOUSE NEW ENGLAND STREET**
BRIGHTON
UNITED KINGDOM
BN1 4GH

Country/State Usually Resident: **UNITED KINGDOM**

Date of Birth: **28/10/1948** *Nationality:* **BRITISH**

Occupation: **RETIRED**

Consented to Act: **Y** *Date authorised:* **17/11/2014** *Authenticated:* **YES**

Statement of Capital (Share Capital)

Class of shares	**ORDINARY**	*Number allotted*	**2**
		Aggregate nominal value	**2**
Currency	**GBP**	*Amount paid per share*	**0**
		Amount unpaid per share	**1**

Prescribed particulars

FULL VOTING RIGHTS AND FULL ENTITLEMENT TO PROFIT AND CAPITAL DISTRIBUTION, INCLUDING UPON WINDING UP.

Statement of Capital (Totals)

Currency	**GBP**	*Total number of shares*	**2**
		Total aggregate nominal value	**2**

Name: **GREGORY JOHN SHACKLETON**

Address: **UNIT 3 LEVEL 4, NEW ENGLAND HOUSE NEW ENGLAND STREET BRIGHTON UNITED KINGDOM BN1 4GH**

Class of share:	**ORDINARY**
Number of shares:	**1**
Currency:	**GBP**
Nominal value of each share:	**1**
Amount unpaid:	**1**
Amount paid:	**0**

Name: **WENDY ELIZABETH FLANAGAN**

Address: **FRONT FLAT 24 OLD SHOREHAM ROAD HOVE UNITED KINGDOM BN3 6ET**

Class of share:	**ORDINARY**
Number of shares:	**1**
Currency:	**GBP**
Nominal value of each share:	**1**
Amount unpaid:	**1**
Amount paid:	**0**

Statement of Compliance

I confirm the requirements of the Companies Act 2006 as to registration have been complied with.

Name: **GREGORY JOHN SHACKLETON**

Authenticated: **YES**

Name: **WENDY ELIZABETH FLANAGAN**

Authenticated: **YES**

Authorisation

Authoriser Designation: **subscriber** *Authenticated:* **Yes**

COMPANY HAVING A SHARE CAPITAL

Memorandum of Association

Of

24 OLD SHOREHAM ROAD (FREEHOLD) LIMITED

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company and to take at least one share.

Name of each subscriber

Gregory John Shackleton

Wendy Elizabeth Flanagan

Dated: 14/11/2014

Articles of Association

Of

24 OLD SHOREHAM ROAD (FREEHOLD) LIMITED

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1 **Defined terms**

1.1 In these Articles, unless the context requires otherwise:

appointor has the meaning given to that term in Article 25.1;

Articles means the Company's articles of association for the time being in force;

bankruptcy includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

CA 2006 means the Companies Act 2006;

call has the meaning given to that term in Article 35.1;

call notice has the meaning given to that term in Article 35.1;

call payment date has the meaning given to that term in Article 38.2.1;

chairman has the meaning given to that term in Article 14.2;

chairman of the meeting has the meaning given to that term in Article 58;

Clear Days means (in relation to the period of a notice) that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

Companies Acts means the Companies Acts (as defined in section 2 of CA 2006), in so far as they apply to the Company;

Company's lien has the meaning given to that term in Article 33;

Conflict has the meaning given to that term in Article 17.2;

conflicted director means a director who has, or could have, a Conflict in a situation involving the Company and consequently whose vote is not to be counted in respect of any resolution to authorise such Conflict and who is not to be counted as participating in the quorum for the meeting (or part of the meeting) at which such resolution is to be voted upon;

corporate representative has the meaning given to that term in Article 66;

director means a director of the Company, and includes any person occupying the position of director, by whatever name called;

document includes, unless otherwise specified, any document sent or supplied in electronic form;

electronic form has the meaning given to that term in section 1168 of CA 2006;

Flat Owner means the owner for the time being of a Lease and includes a person who is entitled to be registered at the Land Registry as owner of a Lease;

fully paid in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

hard copy form has the meaning given to that term in section 1168 of CA 2006;

holder in relation to shares means the person whose name is entered in the register of members as the holder of the shares or, in the case of a share in respect of which a share warrant has been issued (and not cancelled), the person in possession of that warrant;

instrument means a document in hard copy form;

Lease means a head lease of a flat forming part of the Property, and **Leases** shall be construed accordingly;

lien enforcement notice has the meaning given to that term in Article 34;

member has the meaning given to that term in Article 29.1;

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;

non-conflicted director means any director who is not a conflicted director;

ordinary resolution has the meaning given to that term in section 282 of CA 2006;

paid means paid or credited as paid;

participate, in relation to a directors' meeting, has the meaning given to that term in Article 13;

partly-paid in relation to a share means that part of that share's nominal value or any premium at which it was issued has not been paid to the Company;

Property means the property and the buildings erected on it situated at 24 Old Shoreham Road, Hove BN3 6EF;

proxy notice has the meaning given to that term in Article 64.2;

proxy notification address has the meaning given to that term in Article 65.1;

relevant officer has the meaning given to that term in Articles 73.3.2 or 74.2.1, as the case may be;

relevant loss has the meaning given to that term in Article 74.2.2;

relevant rate has the meaning given to that term in Article 38.2.2;

shares means shares in the Company and **share** shall be construed accordingly;

special resolution has the meaning given to that term in section 283 of CA 2006;

subsidiary has the meaning given to that term in section 1159 of CA 2006;

transfer or **transferring** has the meaning given to those terms respectively in Article 48.1;

transmittee means a person entitled to a share by reason of the death or bankruptcy of a holder or otherwise by operation of law;

United Kingdom means Great Britain and Northern Ireland; and

writing means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

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 CA 2006 as in force on the date when these Articles become binding on the Company 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 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 and shall include any orders, regulations or subordinate legislation from time to time made under it and any amendment or re-enactment of it or any such orders, regulations or subordinate legislation for the time being in force.

1.5 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.

1.6 No regulations set out in any statute or in any statutory instrument or other subordinate legislation concerning companies, including but not limited to the Model Articles, shall apply to the Company, but the following shall be the articles of association of the Company.

2 **Liability of members**

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

PART 2

STATEMENT OF COMPANY'S OBJECTS

3 **Company's objects**

3.1 The Company's objects are:

3.1.1 to acquire the Property and to hold the same as an investment for the benefit of the Flat Owners;

3.1.2 to manage the Property and to collect the rents and income therefrom and to supply services to the tenants and occupiers of the flats forming part of the Property;

3.1.3 to do all or any of the following acts or things: to pay all expenses of an incidental to the formation and registration of the Company, to sell, lease or dispose of any property of the Company; to draw, accept and negotiate negotiable instruments; to borrow money on the security of the undertaking or on all or any of the assets of the Company including uncalled capital or without security; to invest monies of the Company in such manner as the directors determine; to promote other Companies; to sell the undertaking of the Company for cash or any other consideration; to distribute among the Members in specie any property of the Company or any proceeds of sale, disposal or realisation of any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law;

3.1.4 to lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person included any holding company, subsidiary or fellow subsidiary company in any manner;

3.1.5 to carry on any other trade or business whatsoever which can, in the opinion of the Company, be advantageously carried on by the Company in connection with or ancillary to any of the general business of the Company or is calculated directly to benefit the Company or enhance the value of or render profitable any of the

Company's property or rights or is required by any customers of or persons dealing with the Company;

3.1.6 to purchase or by any other means acquire and take options over any property whatever, and any rights or privileges of any kind over or in respect of any property;

3.1.7 to improve, manage, construct, repair, develop, exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company;

3.1.8 to invest and deal with the monies of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;

3.1.9 to borrow and raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, standard security, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;

3.1.10 to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments;

3.1.11 to enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges and concessions;

3.1.12 to give or award pensions, annuities, gratuities, and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been directors of, or who are to have been employed by, or who are serving or have served the Company, and to the wives, widows, children and other relatives and dependents of such persons; to make payments towards insurance; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and of their wives, widows, children and other relatives and dependents;

3.1.13 to acquire and deal with or invest in any property real or personal and to carry on any trade or business and to erect any buildings and generally to do all acts and things which in the opinion of the Company or the directors may be conveniently or profitably or usefully acquired or deal with invested in carried on erected or done by the Company in connection with or as ancillary to any of the above businesses or the general business of the Company or is calculated directly to benefit the Company or enhance the value of or render profitable any of the Company's property or rights or is required by any customers of or persons dealing with the Company;

3.1.14 to do all such other things as are incidental to or conducive to the attainment of the above objects or any of them or as are calculated to enhance the value and beneficial advantage of the Property; and

3.1.15 to do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise, and by or through agents, brokers, subcontractors or otherwise and either alone or in conjunction with others.

3.2 The objects set forth in each sub-Article of this Article 3 shall not be restrictively construed but the widest interpretation shall be given thereto, and they shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any

other object or objects set forth in each sub-Article or from the name of the Company. None of each sub-Articles or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-Article, but the Company shall have full power to exercise all or any of the objects conferred by and provided in each of the said sub-Articles as if each sub-Article contained the objects of a separate company. The word **company** in this Article, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere.

PART 3

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4 **Directors' general authority**

Subject to the Articles and to the applicable provisions for the time being of the Companies Acts, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

5 **Change of Company name**

Without prejudice to the generality of Article 4, the directors may resolve in accordance with Article 9 to change the Company's name.

6 **Members' reserve power**

6.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

6.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

7 **Directors may delegate**

7.1 Subject to the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

7.1.1 to such person or committee;

7.1.2 by such means (including by a power of attorney);

7.1.3 to such an extent;

7.1.4 in relation to such matters or territories; and

7.1.5 on such terms and conditions;

as they think fit.

7.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

7.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

8 **Committees**

8.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.

8.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

8.3 Where a provision of the 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, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

8.4 The directors may, upon the Company acquiring the freehold interest in the Property, agree on behalf of the Company to grant lease extensions to the Leases of any shareholder at nil premium and on any terms as they see fit, having taken appropriate legal advice. The directors shall ensure that the shareholder's service charge contributions are up to date before a lease extension is granted.

DECISION-MAKING BY DIRECTORS

9 Directors to take decisions collectively

9.1 The general rule about decision-making by directors is that any decision of the directors must be taken as a majority decision at a meeting or as a directors' written resolution in accordance with Article 10 (Directors' written resolutions) or otherwise as a unanimous decision taken in accordance with Article 11 (Unanimous decisions).

9.2 If:

9.2.1 the Company only has one director for the time being; and

9.2.2 no provision of the Articles requires it to have more than one director;

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

9.3 Subject to the Articles, each director participating in a directors' meeting has one vote.

10 Directors' written resolutions

10.1 Any director may propose a directors' written resolution by giving notice in writing of the proposed resolution to each of the other directors (including alternate directors).

10.2 If the company has appointed a company secretary, the company secretary must propose a directors' written resolution if a director so requests by giving notice in writing to each of the other directors (including alternate directors).

10.3 Notice of a proposed directors' written resolution must indicate:

10.3.1 the proposed resolution; and

10.3.2 the time by which it is proposed that the directors should adopt it.

10.4 A proposed directors' written resolution is adopted when a majority of the non-conflicted directors (or their alternates) have signed one or more copies of it, provided that those directors (or their alternates) would have formed a quorum at a directors' meeting were the resolution to have been proposed at such meeting.

10.5 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 the Articles.

11 Unanimous decisions

11.1 A decision of the directors is taken in accordance with this Article 11 when all non-conflicted directors indicate to each other by any means that they share a common view on a matter.

11.2 A decision may not be taken in accordance with this Article 11 if the non-conflicted directors would not have formed a quorum at a directors' meeting had the matter been proposed as a resolution at such a meeting.

11.3 Once a directors' unanimous decision is taken in accordance with this Article 11 it must be treated as if it had been a decision taken at a directors' meeting in accordance with the Articles.

12 Calling a directors' meeting

12.1 Any director may call a directors' meeting by giving notice of the meeting to each of the directors (including alternate directors), whether or not he is absent from the UK, or by authorising the company secretary (if any) to give such notice.

12.2 Notice of any directors' meeting must indicate:

12.2.1 its proposed date and time;

12.2.2 where it is to take place; and

12.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

12.3 Subject to Article 12.4, notice of a directors' meeting must be given to each director but need not be in writing.

12.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company prior to or up to and including not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

13 Participation in directors' meetings

13.1 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

13.1.1 the meeting has been called and takes place in accordance with the Articles; and

13.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

13.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

13.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

14 Chairing of directors' meetings

14.1 The directors may appoint a director to chair their meetings.

14.2 The person so appointed for the time being is known as the chairman.

14.3 The directors may terminate the chairman's appointment at any time.

14.4 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

15 Chairman's casting vote at directors' meetings

15.1 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 has a casting vote.

15.2 Article 15.1 does not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director chairing the meeting is a conflicted director for the purposes of that meeting (or that part of that meeting at which the proposal is voted upon).

16 **Quorum for directors' meetings**

16.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

16.2 Subject to Article 16.3, the quorum for the transaction of business at a meeting of directors may be fixed from time to time by a decision of the directors but it must never be less than two directors, and unless otherwise fixed it is two. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum. If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles and accordingly the quorum for the transaction of business in these circumstances shall be one.

16.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 17 (Directors' conflicts of interests) to authorise a director's Conflict, if there is only one non-conflicted director in office in addition to the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one non-conflicted director.

17 **Directors' conflicts of interests**

17.1 For the purposes of this Article 17, a **conflict of interest** includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

17.2 The directors may, in accordance with the requirements set out in this Article 17, authorise any matter proposed to them by any director which would, if not authorised, involve a director breaching his duty under section 175 of CA 2006 to avoid conflicts of interest (such matter being hereinafter referred to as a **Conflict**).

17.3 A director seeking authorisation in respect of a Conflict shall declare to the other directors the nature and extent of his interest in a Conflict as soon as is reasonably practicable. The director shall provide the other directors with such details of the relevant matter as are necessary for the other directors to decide how to address the Conflict, together with such other information as may be requested by the other directors.

17.4 Any authorisation under this Article 17 will be effective only if:

17.4.1 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;

17.4.2 any requirement as to the quorum at any meeting of the directors at which the matter is considered is met without counting the director in question and any other conflicted director(s); and

17.4.3 the matter was agreed to without the director and any other conflicted director(s) voting or would have been agreed to if their votes had not been counted.

17.5 Any authorisation of a Conflict under this Article 17 may (whether at the time of giving the authorisation or subsequently):

17.5.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised;

17.5.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; or

17.5.3 be terminated or varied by the directors at any time.

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

17.6 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:

17.6.1 disclose such information to the directors or to any director or other officer or employee of the Company; or

17.6.2 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.

17.7 Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the director:

17.7.1 is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;

17.7.2 is not given any documents or other information relating to the Conflict;

17.7.3 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.

17.8 Where the directors authorise a Conflict:

17.8.1 the director will be obliged to conduct himself in accordance with any terms, limits and/or conditions imposed by the directors in relation to the Conflict;

17.8.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of CA 2006 provided he acts in accordance with such terms, limits and/or conditions (if any) as the directors impose in respect of its authorisation.

17.9 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 receives as director or other officer or employee of the Company's subsidiaries or of any other body corporate in which the Company is interested or 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 nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of CA 2006.

17.10 Subject to the applicable provisions for the time being of the Companies Acts and to any terms, limits and/or conditions imposed by the directors in accordance with Article 17.5.2, and provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with the Companies Acts, a director notwithstanding his office:

17.10.1 may be a party to, or otherwise interested in, any contract, transaction or arrangement with the Company or in which the Company is otherwise interested;

17.10.2 shall be counted as participating for voting and quorum purposes in any decision in connection with any proposed or existing transaction or arrangement with the Company, in which he is in any way directly or indirectly interested;

17.10.3 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;

17.10.4 may be a director or other officer of, or employed by, or a party to any contract, transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

17.10.5 shall not, by reason of his office, be accountable to the Company for any benefit which he (or anyone connected with him (as defined in section 252 of CA 2006) derives from any such office or employment or from any such contract, transaction or arrangement or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, nor shall the receipt of any such remuneration or benefit constitute a breach of his duty under section 176 of CA 2006.

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

17.12 Subject to Article 17.13, 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.

17.13 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.

18 **Records of decisions to be kept**

The directors must ensure that the Company keeps a record, in writing, for at least ten years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

19 **Directors' discretion to make further rules**

Subject to the 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.

APPOINTMENT AND TERMINATION OF APPOINTMENT OF DIRECTORS

20 **Number of directors**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.

21 **Methods of appointing directors**

Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

21.1 by ordinary resolution; or

21.2 by a decision of the directors.

22 **Termination of director's appointment**

22.1 A person ceases to be a director as soon as:

22.1.1 that person ceases to be a Flat Owner or in the case a director who is a nominee for a company, the Company ceases to be a Flat Owner;

22.1.2 and for as long as that person holds less than one share;

22.1.3 that person ceases to be a director by virtue of any provision of CA 2006 or is prohibited from being a director by law;

22.1.4 a bankruptcy order or receivership order or winding up order is made against that person or company;

22.1.5 a composition is made with that person or company's creditors in satisfaction of that person or company debts and the Company resolves that his office be vacated;

22.1.6 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or

22.1.7 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.

23 **Directors' remuneration**

23.1 Directors may undertake any services for the Company that the directors decide.

23.2 Directors are entitled to such remuneration as the directors determine:

23.2.1 for their services to the Company as directors; and

23.2.2 for any other service which they undertake for the Company.

23.3 Subject to the Articles, a director's remuneration may:

23.3.1 take any form; and

23.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

23.4 Unless the directors decide otherwise, directors' remuneration accrues from day to day.

24 **Directors' expenses**

24.1 The Company may pay any reasonable expenses which the directors (including alternate directors) and the secretary (if any) properly incur in connection with their attendance at:

24.1.1 meetings of directors or committees of directors;

24.1.2 general meetings; or

24.1.3 separate meetings of the holders of any class of shares or of debentures of the Company;

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

ALTERNATE DIRECTORS

25 **Appointment and removal of alternate directors**

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

25.1.1 exercise that director's powers; and

25.1.2 carry out that director's responsibilities;

in relation to the taking of decisions by the directors in the absence of the alternate's appointor.

25.2 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.

25.3 The notice must:

25.3.1 identify the proposed alternate; and

25.3.2 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.

26 **Rights and responsibilities of alternate directors**

26.1 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.

26.2 Except as the Articles specify otherwise, alternate directors:

26.2.1 are deemed for all purposes to be directors;

26.2.2 are liable for their own acts and omissions;

26.2.3 are subject to the same restrictions as their appointors (including those set out in sections 172 to 177 CA 2006 inclusive and Article 17);

26.2.4 are not required to hold any shares; and

26.2.5 are not deemed to be agents of or for their appointors;

and , in particular (without limitation), 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 member.

26.3 A person who is an alternate director but not a director:

26.3.1 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 and provided that no alternate may be counted as more than one director for these purposes);

26.3.2 may participate in a unanimous decision of the directors (but only if his appointor does not participate); and

26.3.3 may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).

26.4 A director who is also an alternate director is entitled, in the absence of any of his appointors, to a separate vote on behalf of that appointor, in addition to his own vote on any decision of the directors but he shall count as only one for the purpose of determining whether a quorum is present.

26.5 An alternate director is not 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.

27 **Termination of alternate directorship**

An alternate director's appointment as an alternate for any appointor terminates:

27.1 when that appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

27.2 when notification is received by the Company from the alternate that the alternate is resigning as alternate for that appointor and such resignation has taken effect in accordance with its terms;

27.3 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to that appointor, would result in the termination of that appointor's appointment as a director;

27.4 on the death of that appointor; or

27.5 when the alternate's appointor's appointment as a director terminates.

SECRETARY

28 Appointment and removal of 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.

PART 4

SHARES AND DISTRIBUTIONS

SHARES

29 Membership of the Company

29.1 Subject to Article 29.2, no person may be admitted to membership of the Company other than the subscribers to the Company's memorandum of association and the Flat Owners and **member** and **members** shall be construed accordingly.

29.2 Neither Article 29.1 nor this Article 29.2 may be amended unless all of the then members agree to such amendment.

29.3 Where two or more persons are the tenants under a Lease, they together constitute one member and the person first named in the register of members may exercise all voting and other rights and powers vested in that member to the exclusion of the other tenants under that Lease. All such tenants shall be subject jointly and severally to any liability imposed on that member under or pursuant to the articles.

29.4 Where a person is a Flat Owner under more than one Lease he shall (except where these Articles provide otherwise) be treated under the Articles as a separate member in respect of his several capacities, as the case may be.

29.5 If and as soon as a holder ceases to be a Flat Owner, he shall not be entitled to receive notice of or attend at, and shall have no voting rights at, general meetings of the Company nor to receive or to have any voting rights in respect of any written resolutions of the Company in respect of any shares held by that holder (and of any shares received thereafter by way of rights or on a capitalisation in respect of those shares) on and from the date when he ceased to be a Flat Owner (which for the avoidance of doubt shall be the date on which the relevant Lease with that Flat Owner terminates), or if later the date on which he receives the shares, until the entry in the register of members of the Company of another Flat Owner as holder of those shares.

30 Further issues of shares: authority to allot

The directors are authorised for the purposes of Section 551 of CA 2006 to allot to each Flat Owner (due account being taken of any subscriber shares already in issue and held by any Flat Owner) one share respectively in the capital of the Company at any time or times during the period of five years from the date of incorporation of the Company and the number of shares so allotted to all such Flat Owners shall not exceed three (inclusive of any subscriber shares).

31 Further issues of shares: pre-emption rights

In accordance with section 567(1) of CA 2006, sections 561 and 562 of CA 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of CA 2006) made by the Company.

32 Powers to issue different classes of share

Subject to these Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

33 **Company's lien over shares**

The Company has a lien (**Company's lien**) over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future and whether or not a call notice has been sent in respect of it.

33.1 The Company's lien over a share:

33.1.1 takes priority over any third party's interest in that share; and

33.1.2 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.

33.2 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, either wholly or in part.

34 **Enforcement of the company's lien**

34.1 Subject to the provisions of this Article 34, if:

34.1.1 a lien enforcement notice has been given in respect of a share; and

34.1.2 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.

34.2 A lien enforcement notice:

34.2.1 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;

34.2.2 must specify the share concerned;

34.2.3 must be in writing and require payment of the sum payable within fourteen days of the notice;

34.2.4 must be addressed either to the holder of the share or to a transmittee of that holder; and

34.2.5 must state the Company's intention to sell the share if the notice is not complied with.

34.3 Where shares are sold under this Article 34:

34.3.1 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

34.3.2 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.

34.4 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:

34.4.1 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;

34.4.2 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 an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed over the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice.

34.5 A statutory declaration by a director or the company secretary (if any) that the declarant is a director or the company secretary (as the case may be) and that a share has been sold to satisfy the Company's lien on a specified date:

34.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and

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

35 Call notices

35.1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (**call notice**) to a member requiring the member to pay the Company a specified sum of money (**call**) which is payable by that member to the Company at the date when the directors decide to send the call notice.

35.2 A call notice:

35.2.1 must be in writing;

35.2.2 may not require a member to pay a call which exceeds the total amount of his indebtedness or liability to the Company;

35.2.3 must state when and how any call to which it relates it is to be paid; and

35.2.4 may permit or require the call to be paid by instalments.

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

35.4 Before the Company has received any call due under a call notice the directors may:

35.4.1 revoke it wholly or in part; or

35.4.2 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.

36 Liability to pay calls

36.1 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

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

36.3 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:

36.3.1 to pay calls which are not the same; or

36.3.2 to pay calls at different times.

37 **When call notice need not be issued**

37.1 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:

37.1.1 on allotment;

37.1.2 on the occurrence of a particular event; or

37.1.3 on a date fixed by or in accordance with the terms of issue.

37.2 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.

38 **Failure to comply with call notice: automatic consequences**

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

38.1.1 the directors may issue a notice of intended forfeiture to that person; and

38.1.2 until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

38.2 For the purposes of this Article 38:

38.2.1 the **call payment date** is the time when the call notice states that a call is payable, unless the directors give a notice in writing specifying a later date, in which case the **call payment date** is that later date;

38.2.2 the **relevant rate** is:

38.2.2.1 the rate fixed by the terms on which the share in respect of which the call is due was allotted;

38.2.2.2 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

38.2.2.3 if no rate is fixed in either of these ways, five per cent. (5%) per annum.

38.3 The relevant rate must not exceed by more than five 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.

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

39 **Notice of intended forfeiture**

39.1 A notice of intended forfeiture:

39.1.1 must be in writing;

39.1.2 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;

39.1.3 must be sent to the holder of that share (or, in the case of joint holders of a share in accordance with Article 69.6) or to a transmittee of that holder in accordance with Article 69.7;

39.1.4 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than fourteen days after the date of the notice;

39.1.5 must state how the payment is to be made; and

39.1.6 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.

40 **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.

41 **Effect of forfeiture**

41.1 Subject to the Articles, the forfeiture of a share extinguishes:

41.1.1 all interests in that share, and all claims and demands against the Company in respect of it; and

41.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

41.2 Any share which is forfeited in accordance with the Articles:

41.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;

41.2.2 is deemed to be the property of the Company; and

41.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

41.3 If a person's shares have been forfeited:

41.3.1 the Company must send that person written notice that forfeiture has occurred and record it in the register of members;

41.3.2 that person ceases to be a member in respect of those shares;

41.3.3 that person must surrender the certificate for the shares forfeited to the Company for cancellation;

41.3.4 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

41.3.5 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.

41.4 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.

42 **Procedure following forfeiture**

42.1 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.

42.2 A statutory declaration by a director or the Company secretary (if any) that the declarant is a director or the Company secretary (as the case may be) and that a share has been forfeited on a specified date:

42.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and

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

42.3 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.

42.4 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:

42.4.1 was, or would have become, payable; and

42.4.2 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.

43 Surrender of shares

43.1 A member may surrender any share:

43.1.1 in respect of which the directors may issue a notice of intended forfeiture;

43.1.2 which the directors may forfeit; or

43.1.3 which has been forfeited.

43.2 The directors may accept the surrender of any such share.

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

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

44 Payment of commission on subscription for shares

44.1 The Company may pay any person a commission in consideration for that person:

44.1.1 subscribing, or agreeing to subscribe, for shares; or

44.1.2 procuring, or agreeing to procure, subscriptions for shares.

44.2 Any such commission may be paid:

44.2.1 in cash, or in fully paid or partly paid shares or other securities or partly in one way and partly in the other; and

44.2.2 in respect of a conditional or an absolute subscription.

45 **Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

46 **Share certificates**

46.1 The Company must issue each member, free of charge, with one or more certificates in respect of the shares which that member holds.

46.2 Every certificate must specify:

46.2.1 in respect of how many shares, of what class, it is issued;

46.2.2 the nominal value of those shares;

46.2.3 the extent to which shares are paid up; and

46.2.4 any distinguishing numbers assigned to them.

46.3 No certificate may be issued in respect of shares of more than one class.

46.4 If more than one person holds a share, only one certificate may be issued in respect of it.

46.5 Certificates must:

46.5.1 have affixed to them the Company's common seal; or

46.5.2 be otherwise executed in accordance with the Companies Acts.

47 **Replacement share certificates**

47.1 If a certificate issued in respect of a member's shares is:

47.1.1 damaged or defaced; or

47.1.2 said to be lost, stolen or destroyed;

that member is entitled to be issued with a replacement certificate in respect of the same shares.

47.2 A member exercising the right to be issued with such a replacement certificate:

47.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;

47.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

47.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

48 **Transfer of shares: general**

48.1 In these Articles, a reference to the **transfer** of or **transferring** shares shall include any transfer, assignment, disposition or proposed or purported transfer, assignment or disposition:

48.1.1 of any share or shares of the Company; or

48.1.2 of any interest of any kind in any share or shares of the Company; or

48.1.3 of any right to receive or subscribe for any share or shares of the Company.

48.2 Subject to Article 49, shares shall be transferred (and the directors shall not register the transfer of any share or any interest in any share unless it is transferred):

48.2.1 by a subscriber to the memorandum of association to a Flat Owner; or

48.2.2 by a Flat Owner on the transfer of his Lease to the transferee of such Lease; or

48.2.3 where a Lease (**Former Lease**) held by a member is forfeited or surrendered or otherwise comes to an end, by the member, when a new lease is granted of the same premises as were comprised in the Former Lease, to the Flat Owner under that new lease.

48.3 The price to be paid on the transfer of shares shall, in default of agreement between the transferor and the transferee, be the nominal value of each such share.

48.4 If the directors refuse to register a transfer of a share they shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of, and the reasons for, the refusal.

48.5 An obligation to transfer a share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

48.6 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and (if any of the shares is partly paid) the transferee.

48.7 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.

48.8 The Company may retain any instrument of transfer which is registered.

48.9 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.

48.10 If a holder fails for any reason (including death) to transfer any shares when required pursuant to this Article 48, the directors may authorise any director of the Company (who shall be deemed to be irrevocably appointed as the attorney of such holder for the purpose) to execute each necessary transfer of such shares to any person entitled to be a member under these Articles and nominated by the directors and deliver it on such holder's behalf. The Company may receive the purchase money for such shares from the transferee and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the transferee as the holder of such shares. The Company shall hold such purchase money in a separate bank account on trust for the transferor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application of it, and after the name of the transferee has been entered in the register of members in purported exercise of the power conferred by this Article 48.10, the validity of the proceedings shall not be questioned by any person.

49 Prohibited transfers

Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

50 Transmission of shares

50.1 If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.

50.2 Nothing in these Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.

50.3 A transmittee who produces such evidence of entitlement to shares as the directors may properly require:

50.3.1 may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person; and

50.3.2 subject to the Articles and in particular Article 54.3, and pending any transfer of the shares to another person, has the same rights as the holder had.

50.4 Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

51 **Exercise of transmittees' rights**

51.1 Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.

51.2 If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.

51.3 If, within ninety days from the date on which a transmiteee becomes entitled to a share, such transmittee either does not notify the Company of its wish to become the holder of such share to which it has become entitled or does not execute an instrument of transfer to transfer such share to another person, then the directors may authorise any director (who shall be deemed to be irrevocably appointed as the attorney of the transmittee for that purpose) to execute the necessary transfer of such share to any person entitled to be a member under these Articles and nominated by the directors.

51.4 Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

52 **Transmittees bound by prior notices**

If a notice is given to a member in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the member before the transmittee's name or the name of any person nominated under Article 50.3 (Transmission of shares), has been entered in the register of members.

PART 5

DECISION-MAKING BY MEMBERS

ORGANISATION OF GENERAL MEETINGS

53 **Convening general meetings**

The directors may call general meetings and, on the requisition of members pursuant to the provisions of CA 2006, shall forthwith proceed to convene a general meeting in accordance with CA 2006. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or the members requisitioning the meeting (or any of them representing more than one half of the total voting rights of them all) may call a general meeting. If the Company has only a single member, such member shall be entitled at any time to call a general meeting.

54 **Notice of general meetings**

54.1 General meetings (other than an adjourned meeting) shall be called by at least fourteen Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote, being a majority together holding not less than ninety per cent (90%) in nominal value of the shares at the meeting, giving that right.

54.2 The notice shall specify the time, date and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it.

54.3 Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all members, to all persons entitled to a share in consequence of the

death or bankruptcy of a member (if they have become a member pursuant to Article 50.3) and to the directors, alternate directors and the auditors for the time being of the Company.

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

55 **Resolutions requiring special notice**

55.1 If CA 2006 requires special notice to be given of a resolution, then the resolution will not be effective unless notice of the intention to propose it has been given to the Company at least twenty-eight Clear Days before the general meeting at which it is to be proposed.

55.2 Where practicable, the Company must give the members notice of the resolution in the same manner and at the same time as it gives notice of the general meeting at which it is to be proposed. Where that is not practicable, the Company must give the members at least fourteen Clear Days' before the relevant general meeting by advertisement in a newspaper with an appropriate circulation.

55.3 If, after notice to propose such a resolution has been given to the Company, a meeting is called for a date twenty-eight days or less after the notice has been given, the notice shall be deemed to have been properly given, even though it was not given within the time required by Article 55.1.

56 **Attendance and speaking at general meetings**

56.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

56.2 A person is able to exercise the right to vote at a general meeting when:

56.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

56.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

56.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

56.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

56.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

57 **Quorum for general meetings**

57.1 No business shall be transacted at any meeting unless a quorum is present. Subject to section 318(2) of CA 2006, two qualifying persons (as defined in section 318(3) of CA 2006) entitled to vote upon the business to be transacted shall be a quorum; provided that if the Company has only a single member, the quorum shall be one such qualifying person.

57.2 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

58 **Chairing general meetings**

58.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

58.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

58.2.1 the directors present; or

58.2.2 (if no directors are present), the meeting;

must appoint a director or member to chair the meeting. The appointment of the chairman of the meeting must be the first business of the meeting.

58.3 The person chairing a meeting in accordance with this Article is referred to as the **chairman of the meeting**.

59 **Attendance and speaking by directors and non-members**

59.1 The chairman of the meeting may permit other persons who are not:

59.1.1 members of the Company; or

59.1.2 otherwise entitled to exercise the rights of members in relation to general meetings;

to attend and speak at a general meeting.

60 **Adjournment**

60.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it. If, at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved.

60.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

60.2.1 the meeting consents to an adjournment; or

60.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

60.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

60.4 When adjourning a general meeting, the chairman of the meeting must:

60.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and

60.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

60.5 If the continuation of an adjourned meeting is to take place more than fourteen days after it was adjourned, the Company must give at least seven Clear Days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

60.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and

60.5.2 containing the same information which such notice is required to contain.

60.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

61 **Voting: general**

61.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles. Subject to any rights or restrictions attached to any shares and to Article 61.3, on a show of hands, every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative (unless the representative is himself a member, in which case he shall have more than one vote) shall have one vote. A proxy shall not be entitled to vote on a show of hands.

61.2 No member shall vote at any general meeting or at any separate meeting of the holder of any class of shares, either in person or by proxy, in respect of any share held by him unless all monies presently payable by him in respect of that share have been paid.

61.3 In the case of joint holders the vote of the senior who tenders a vote shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.

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

62 **Errors and disputes**

62.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

62.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

63 **Poll votes**

63.1 Subject to Article 61.3, on a poll every member 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 for every share of which he is the holder. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

63.2 A poll on a resolution may be demanded:

63.2.1 in advance of the general meeting where it is to be put to the vote; or

63.2.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

63.3 A poll may be demanded by:

63.3.1 the chairman of the meeting;

63.3.2 the directors;

63.3.3 two or more persons having the right to vote on the resolution;

63.3.4 a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution; or

63.3.5 a person or persons holding shares conferring a right to vote on the resolution on which not less than one tenth of the total sum paid up on all the shares conferring that right.

63.4 A demand for a poll may be withdrawn if:

63.4.1 the poll has not yet been taken; and

63.4.2 the chairman of the meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

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

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

63.7 The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

64 **Content of proxy notices**

64.1 Subject to the provisions of these Articles, a member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

64.2 Proxies may only validly be appointed by a notice in writing (**proxy notice**) which:

64.2.1 states the name and address of the member appointing the proxy;

64.2.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;

64.2.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

64.2.4 is delivered to the Company in accordance with the Articles and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate and received by the Company:

64.2.4.1 subject to Articles 64.2.4.2 and 64.2.4.3 in the case of a general meeting or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;

64.2.4.2 in the case of a poll taken more than forty-eight hours after it is demanded, after the poll has been demanded and not less than twenty-four hours before the time appointed for the taking of the poll; or

64.2.4.3 where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, at the time at which the poll was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is the later;

and a proxy notice which is not delivered and received in such manner shall be invalid.

64.3 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

64.4 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions and the proxy is obliged to vote or abstain from voting in accordance with the specified instructions. However, the Company is not obliged to check whether a proxy votes or abstains from voting as he has been instructed and shall incur no liability for failing to do so. Failure by a proxy to vote or abstain from voting as instructed at a meeting shall not invalidate proceedings at that meeting.

64.5 Unless a proxy notice indicates otherwise, it must be treated as:

64.5.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

64.5.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

65 **Delivery of proxy notices**

65.1 Any notice of a general meeting must specify the address or addresses (**proxy notification address**) at which the Company or its agents will receive proxy notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

65.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person to a proxy notification address.

65.3 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

65.4 A notice revoking a proxy appointment only takes effect if it is received by the Company:

65.4.1 in the case of a general or adjourned meeting, not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the right to vote is to be exercised;

65.4.2 in the case of a poll taken more than forty-eight hours after it was demanded, not less than twenty-four before the time appointed for the taking of the poll; or

65.4.3 in the case of a poll not taken forthwith but not more than forty-eight hours after it was demanded, at the time at which it was demanded or twenty-four hours before the time appointed for the taking of the poll, whichever is later;

and a notice which is not delivered and received in such manner shall be valid.

65.5 In calculating the periods referred to in Article 64 (Content of proxy notices) and this Article 65, no account shall be taken of any part of a day that is not a working day.

65.6 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

66 **Representation of corporations at meetings**

Subject to CA 2006, a company which is a member may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative or representatives at a meeting of the company or at a separate meeting of the holders of a class of shares of the company (**corporate representative**). A director, secretary or other person authorised for the purpose by the directors may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers.

67 **Amendments to resolutions**

67.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

67.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and

67.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

67.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

67.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

67.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

67.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

WRITTEN RESOLUTIONS

68 A resolution of the members (or a class of members) may be passed as a written resolution in accordance with chapter 2 of part 13 of CA 2006.

PART 6

MISCELLANEOUS PROVISIONS

COMMUNICATIONS

69 **Means of communication to be used**

69.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which of CA 2006 provides for documents or information which are authorised or required by any provision of CA 2006 to be sent or supplied by or to the Company.

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

69.2.1 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;

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

69.2.3 if properly addressed and send or supplied by electronic means 48 hours after the document or information was sent or supplied; or

69.2.4 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.

For the purposes of this Article 69.2, no account shall be taken of any part of a day that is not a working day.

69.3 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 of CA 2006.

69.4 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

69.5 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

69.6 In the case of joint holders of a share, all notices or documents shall be given to the joint holder whose name stands first in the register in respect of the joint holding. Notice so given shall be sufficient notice to all of the joint holders. Where there are joint holders of a share, anything which needs to be agreed or specified in relation to any notice, document or other information to be sent or supplied to them can be agreed or specified by any one of the joint holders. The agreement or specification of the joint holder whose name stands first in the register will be accepted to the exclusion of the agreement or specification of any other joint holder (s) whose name(s) stand later in the register.

69.7 The Company may give notice to the transmittee of a member, by sending or delivering it in any manner authorised by these Articles for the giving of notice to a member, addressed to that person by name, or by the title, of representative of the deceased or trustee of the bankrupt or representative by operation of law or by any like description, at the address (if any) within the United Kingdom supplied for the purpose by the person claiming to be so entitled. Until such an address has been so supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy or operation of law had not occurred.

ADMINISTRATIVE ARRANGEMENTS

70 **Company seals**

70.1 Any common seal may only be used by the authority of the directors.

70.2 The directors may decide by what means and in what form any common seal is to be used.

70.3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by either at least two authorised persons or by at least one authorised person in the presence of a witness who attests the signature.

70.4 For the purposes of this Article, an authorised person is:

70.4.1 any director of the Company;

70.4.2 the Company secretary (if any); or

70.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

71 **No right to inspect accounts and other records.**

Except as provided by law or authorised by the directors or an 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 member.

72 **Dividends and other distributions**

Subject to Article 3, the Company shall not have power to pay or declare any dividend or bonus or make any distribution of any assets to the members except on a winding up provided that nothing in this Article 72 shall prevent the payment of proper remuneration or fees to any person employed by or providing services to the Company.

DIRECTORS' INDEMNITY AND INSURANCE

73 **Indemnity**

73.1 Subject to Article 73.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

73.1.1 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:

73.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

73.1.1.2 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 CA 2006);

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

73.1.2 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 73.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

73.2 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.

73.3 In this Article 73:

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

73.3.2 a **relevant officer** means any director or alternate 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 CA 2006) and may, if the members so decide, include any person engaged by the Company (or any 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).

74 **Insurance**

74.1 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.

74.2 In this Article 74:

74.2.1 a **relevant officer** means any director or alternate 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 CA 2006;

74.2.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that 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

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