

THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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WRITTEN RESOLUTION

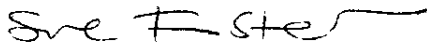
of

LAMBETH PRSCO LIMITED (the "Company")

On 5 February 2018 the following resolutions were duly passed as written resolutions of the Company having effect as special resolutions in accordance with the provisions of Chapter 2 of Part 13 of the Companies Act 2006 by the relevant majority of the eligible members of the Company who, at the date of circulation of the resolution, were entitled to vote on the resolutions:-

1. **THAT** the regulations contained in the document signed by the Chairman as relative to this Resolution be and are hereby approved and adopted as the new Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.
2. **THAT** the name of the Company be changed to 'HFL Living Limited.'

Signed



.....  
Director/Secretary

TUESDAY



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A14

13/02/2018

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COMPANIES HOUSE

Company No 10847962

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

HFL Living Limited (the "Company")

Incorporated 3 July 2017

(Adopted by special resolution on 5 February 2018)



Pinsent Masons

<b>CONTENTS</b>	<b>PAGE</b>
1 EXCLUSION OF MODEL ARTICLES	1
2 INTERPRETATION	1
3 LIMITATION OF LIABILITY OF MEMBERS	4
4 DIRECTORS' GENERAL AUTHORITY	4
5 DIRECTORS MAY DELEGATE	4
6 DIRECTORS' MEETINGS	4
7 COMMITTEES	5
8 DECISIONS OF THE DIRECTORS	5
9 CALLING A DIRECTORS' MEETING	5
10 ALTERNATE DIRECTORS	6
11 PARTICIPATION IN DIRECTORS' MEETINGS	7
12 QUORUM FOR DIRECTORS' MEETINGS	7
13 CHAIRING OF DIRECTORS' MEETINGS	8
14 VOTES	8
15 CONFLICTS OF INTEREST	8
16 RECORDS OF DECISIONS TO BE KEPT	11
17 NUMBER AND METHODS OF APPOINTING DIRECTORS	11
18 TERMINATION OF DIRECTOR'S APPOINTMENT AND SUSPENSION	11
19 DIRECTORS' REMUNERATION	12
20 DIRECTORS' EXPENSES	12
21 SECRETARY	12
22 SHARES	13
23 COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS	13
24 DIRECTORS' AUTHORITY TO ALLOT SHARES	13
25 SHARE CERTIFICATES	13
26 REPLACEMENT SHARE CERTIFICATES	14
27 SHARE TRANSFERS	14
28 COMPLETION OF SHARE TRANSFERS	15
29 PERMITTED TRANSFERS	17

30	TRANSMISSION OF SHARES	20
31	EXERCISE OF TRANSMITTEES' RIGHTS	21
32	TRANSMITTEES BOUND BY PRIOR NOTICES	21
33	FRACTIONAL ENTITLEMENTS	21
34	PROCEDURE FOR DECLARING DIVIDENDS	22
35	CALCULATION OF DIVIDENDS	22
36	PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS	22
37	NO INTEREST ON DISTRIBUTIONS	23
38	UNCLAIMED DISTRIBUTIONS	23
39	NON-CASH DISTRIBUTIONS	23
40	WAIVER OF DISTRIBUTIONS	24
41	GENERAL MEETINGS	24
42	ANNUAL GENERAL MEETINGS	24
43	ATTENDANCE AND SPEAKING AT GENERAL MEETINGS	24
44	QUORUM FOR GENERAL MEETINGS	25
45	CHAIRING GENERAL MEETINGS	25
46	CORPORATE REPRESENTATIVES	25
47	ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS	25
48	ADJOURNMENT	26
50	CONTENT OF PROXY NOTICES	26
51	DELIVERY OF PROXY NOTICES	27
52	AMENDMENTS TO RESOLUTIONS	27
53	NOTICES AND COMMUNICATION	28
54	COMPANY SEALS	29
55	INDEMNITY AND INSURANCE	29
56	SHAREHOLDERS' RESERVE POWER	30

Company No 10847962

**THE COMPANIES ACT 2006**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**

of

**HFL Living Limited ( the "Company")**

**Incorporated 3 July 2017**

**(Adopted by special resolution on 2018)**

**1. EXCLUSION OF MODEL ARTICLES**

None of the regulations contained in the Companies (Model Articles) Regulations 2006 apply to the Company and these Articles alone are the articles of association of the Company.

**2. INTERPRETATION**

2.1 In these Articles, unless the context requires otherwise:-

<b>"Act"</b>	means the Companies Act 2006
<b>"Agent"</b>	shall have the meaning given to it in Article 28.2
<b>"Alternate" or "Alternate Director"</b>	has the meaning given in Article 10.1
<b>"Appointor"</b>	has the meaning given in Article 10.1
<b>"Articles"</b>	means these articles of association
<b>"Bankruptcy"</b>	means bankruptcy and includes any individual insolvency proceedings in a jurisdiction other than England and Wales, Scotland or Northern Ireland which have the same or a similar effect similar to that of bankruptcy
<b>"Board"</b>	means the board of Directors for the time being
<b>"Business Day"</b>	means a day on which banks are open for normal banking business in the City of London (excluding Saturdays and Sundays)
<b>"Chair"</b>	has the meaning given in Article 13.2
<b>"Companies Acts"</b>	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company
<b>"Conflict Matter Documentation"</b>	means any professional advice, memoranda or other documentation to the extent that it relates to a Conflict Matter
<b>"Conflict Matter"</b>	means any matter which the Shareholders designate a <b>"Conflict Matter"</b> in a Relevant Agreement

<b>"Director"</b>	means a director of the Company appointed in accordance with Article 18 and includes an Alternate Director and any person occupying the position of director, by whatever name called
<b>"Distribution Recipient"</b>	has the meaning given in Article 36.1
<b>"Eligible Director"</b>	means, in respect of any matter, any Director who is entitled to vote and count in the quorum at a meeting of Directors on the matter in accordance with the provisions of these Articles or, where the matter is to be decided by written resolution of the Directors, who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting (but excluding in any case any such Director whose vote is not to be counted in respect of the matter)
<b>"Encumbrance"</b>	means a mortgage, charge (whether fixed or floating in nature), lien, pledge, deposit by security or other agreement having the effect of providing security to a creditor
<b>"Executive Directors"</b>	means any Director of the Company from time to time who holds an executive function in the management of the Company
<b>"Group"</b>	means in relation to any company, that company and any company which is a holding company or parent undertaking or subsidiary or subsidiary undertaking of that company and any subsidiary or subsidiary undertaking of any such holding company or parent undertaking and <b>"member of the Group"</b> shall be construed accordingly
<b>"holding company"</b>	shall have the meaning given to it in section 1159 of the Act save that for the purpose of section 1159, a company shall be treated as a member of another company if any shares in that other company are registered in the name of:- <ul style="list-style-type: none"> <li>(a) a person by way of security (where the company has provided the security); or</li> <li>(b) a person as nominee for the company;</li> </ul>
<b>"Independent Director"</b>	means a Director who is not engaged, employed by, an officer or member of the London Borough of Lambeth Council
<b>"Laws"</b>	means any applicable law, statute, subordinate legislation (within the meaning of section 21(1) of the Interpretation Act 1978), bye-law, enforceable right (within the meaning of section 2 of the European Communities Act 1972), regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body and <b>"Law"</b> shall be construed accordingly
<b>"Proxy Notice"</b>	has the meaning given in Article 50.1
<b>"Proxy Notification Address"</b>	has the meaning given in Article 51.1
<b>"Purchaser"</b>	has the meaning given in Article 28.1.1

<b>"Relevant Agreement"</b>	means an agreement entered into on the date of adoption of these Articles to which amongst others the Company and the Shareholder(s) are party relating to the business and affairs of the Company as amended or adhered to from time to time
<b>"Relevant Director"</b>	has the meaning given in Article 55.4.1
<b>"Relevant Loss"</b>	has the meaning given in Article 55.4.2
<b>"share"</b>	means any share in the capital of the Company
<b>"Shareholder"</b>	means a registered holder of a Share
<b>"Shares"</b>	means the ordinary shares of £0.10 each in the capital of the Company from time to time and <b>"Share"</b> shall be construed accordingly
<b>"subsidiary"</b>	shall have the meaning given to it in section 1159 of the Act save that for the purpose of section 1159, a company shall be treated as a member of another company if any shares in that other company are registered in the name of:- <ul style="list-style-type: none"> <li>(a) a person by way of security (where the company has provided the security); or</li> <li>(b) a person as nominee for the company</li> </ul>
<b>"Vendor"</b>	has the meaning given in Article 28.1.1.

2.2 References in these Articles to a document includes, unless otherwise specified, any document sent or supplied in electronic form.

2.3 References in these Articles to "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.

2.4 References in these Articles to Shares being "paid up" means those Shares being paid up or credited as paid up.

2.5 Unless the context otherwise requires:-

2.5.1 words importing the singular include the plural and vice versa;

2.5.2 words importing any gender include all other genders; and

2.5.3 words importing natural persons include corporations.

2.6 Words or expressions contained in these Articles which are defined in the Act have the same meaning as in the Act including the following words which are defined in the following sections of the Act:-

Word(s)/expression	Section Number in Act
body corporate	section 1173
electronic form	section 1168
hard copy form	section 1168

ordinary resolution	section 282
special resolution	section 283
subsidiary undertaking	section 1162
parent undertaking	section 1162

- 2.7 A reference to an Article by number is to the relevant Article of these Articles.
- 2.8 Headings used in these Articles shall not affect their construction or interpretation.
- 2.9 References to any statute or section of a statute shall include reference to any statutory amendment, extension, modification or re-enactment of such statute or section of a statute for the time being in force.
- 2.10 Any phrase introduced by the words "include", "includes", "including", "in particular", "for example" or other and similar words are to be construed as illustrative only and without limitation to the related general words.

### 3. **LIMITATION OF LIABILITY OF MEMBERS**

The liability of the Shareholders shall be limited to the amount, if any, unpaid on the Shares held by them.

### 4. **DIRECTORS' GENERAL AUTHORITY**

Subject to these Articles the Directors shall be responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

### 5. **DIRECTORS MAY DELEGATE**

- 5.1 Subject to Article 7, the Directors may delegate any of the powers which are conferred on them under these Articles:-

- 5.1.1 to such person or committee;
- 5.1.2 by such means (including by power of attorney);
- 5.1.3 to such an extent;
- 5.1.4 in relation to such matters or territories; and
- 5.1.5 on such terms and conditions, as they think fit.

- 5.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated provided that the provisions of Article 7 are complied with in relation to any such further delegation.

- 5.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions subject always to compliance with the provisions of Article 7.

### 6. **DIRECTORS' MEETINGS**

- 6.1 Any decision of the Directors shall be taken at a meeting of the Directors or made in accordance with Article 8.



6.2 Unless otherwise agreed by at least two Directors, the Directors shall meet together for the dispatch of business at least four (4) times each calendar year.

6.3 Meetings of Directors may be held by telephone, video conference or any other method, in each case, as agreed in writing by at least two Directors.

## **7. COMMITTEES**

7.1 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 these Articles which govern the taking of decisions by Directors.

7.2 Subject to Article 16 and Article 24, a committee of the Directors must comprise two Directors. The provisions of these Articles in relation to meetings of Directors apply equally to meetings of any committee of the Directors.

## **8. DECISIONS OF THE DIRECTORS**

8.1 Subject to the requirements of Article 15, the Directors or any committee of the Directors shall act by majority vote of Eligible Directors.

8.2 A decision of Directors may take the form of a resolution in writing (including by email) provided that a majority of all Eligible Directors have signed one or more copies of the resolution or otherwise indicated their agreement to that resolution in writing.

8.3 A decision may not be taken in accordance with this Article 8 if the Eligible Directors would not have formed a quorum at a Directors' meeting.

## **9. CALLING A DIRECTORS' MEETING**

9.1 Any Director may call a Directors' meeting by giving at least five (5) Business Days' notice of the meeting (or such shorter period of notice as may be agreed by at least two Directors) to each of the Directors or by authorising the company secretary (if any) to give such notice.

9.2 Notice of any Directors' meeting shall be in writing and must:-

9.2.1 indicate its proposed date and time;

9.2.2 indicate where it is to take place;

9.2.3 subject to Article 9.5, include a reasonably detailed agenda of the business to be transacted at the meeting accompanied by any relevant documentation; and

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

9.3 Subject to Article 9.4, notice of a Directors' meeting must be given to each Director.

9.4 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 either before or after the meeting. 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.

9.5 Conflict Matter Documentation shall not be sent to a Director who is conflicted with respect to that Conflict Matter.

10. **ALTERNATE DIRECTORS**

10.1 Any Director (other than an Independent Director) (the "**Appointor**") may appoint any other Director, as an alternate to:-

10.1.1 exercise the Appointor's powers; and

10.1.2 carry out the Appointor's responsibilities

*in relation to the taking of decisions by the Directors in the absence of the Appointor (such appointed person, the "**Alternate**" or "**Alternate Director**"). A person may be appointed an Alternate Director by more than one Director.*

10.2 Any appointment or removal of an Alternate must be effected by notice in writing to the Company and the Shareholders signed by the Appointor. The appointment or removal shall take effect when the notice is received by the Company or on such later date (if any) specified in the notice.

10.3 The notice must:-

10.3.1 identify the proposed Alternate; and

10.3.2 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.

10.4 An Alternate Director has the same rights, in relation to any decision of the Directors as the Alternate's Appointor.

10.5 Alternate Directors:-

10.5.1 are deemed for all purposes to be Directors;

10.5.2 are liable for their own acts and omissions;

10.5.3 are subject to the same restrictions as their Appointors; and

10.5.4 are not deemed to be agents of or for their Appointors

and, in particular, each Alternate Director shall be entitled to receive notice of all meetings of Directors and all meetings of committees of Directors of which his Appointor is a member.

10.6 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 (if any) as the Appointor may direct by notice in writing made to the Company.

10.7 An Alternate Director's appointment as an alternate terminates:-

10.7.1 when the Alternate's Appointor revokes the appointment by notice in writing to the Company and the Shareholders;

10.7.2 on the occurrence in relation to the Alternate of any event which, if it occurred in relation to the Alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;

10.7.3 when the appointment as a Director of the Alternate's Appointor terminates; or

- 10.7.4 when the appointment as a Director of the Alternate terminates.
- 10.8 A Director who is also an Alternate Director has an additional vote on behalf of each Appointor who is:-
- 10.8.1 not participating in a Directors' meeting; and
- 10.8.2 would be an Eligible Director.
- 10.9 A Director who is also an Alternate Director shall be counted as part of the quorum of the Board on his own account and in respect of the Director for whom he is the alternate where he is an Eligible Director.
- 11. PARTICIPATION IN DIRECTORS' MEETINGS**
- 11.1 Subject to Article 6.2, a meeting of the Directors may consist of a conference between Directors some or all of whom are in different places provided that each Director who "participates" in the meeting is able:-
- 11.1.1 to hear each of the other participating Directors addressing the meeting; and
- 11.1.2 if he so wishes, to address each of the other participating Directors simultaneously, whether directly, by conference telephone or by any other form of communication equipment (whether in use when this Article 11 is adopted or developed subsequently) or by a combination of such methods.
- 11.2 A Director shall be treated as present and shall count towards the quorum requirements set out in these Articles if the conditions set out in Article 11.1 are satisfied in respect of that Director.
- 11.3 A meeting held in the manner contemplated by this Article 11 shall be deemed to take place at the place where the largest group of Directors is assembled or, if no such group is readily identifiable, at the place from where the Chair participates at the start of the meeting.
- 12. QUORUM FOR DIRECTORS' MEETINGS**
- 12.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 12.2 Subject to Article 10.9 and Article 15.7, the quorum for Directors' meetings is two Directors. If a quorum is not present within fifteen (15) minutes from the time appointed for the meeting, the meeting shall be adjourned to the same day in the next week at the same time and place and any notice provisions contained in any Relevant Agreement shall apply. If at any adjourned meeting a quorum is not present within thirty (30) minutes from the time appointed for the meeting the meeting shall be dissolved.

**13. CHAIRING OF DIRECTORS' MEETINGS**

- 13.1 The Directors may appoint an Independent Director (should any Independent Directors be appointed) or (if no Independent Director is appointed) any one of their number to chair their meeting.
- 13.2 The person so appointed for the time being is known as the Chair.
- 13.3 The Directors may terminate the Chair's appointment at any time.
- 13.4 If the Chair is not participating in a Director's meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

**14. VOTES**

- 14.1 Subject to Article 10.8 and Article 15.7, at each Directors' meeting, each Eligible Director present will be entitled to cast one (1) vote on each issue put to the vote.
- 14.2 If the numbers of votes for and against a proposal are equal, the Chair or other Director chairing the meeting shall have a casting vote.
- 14.3 The Chair or other Director chairing a meeting (or part of a meeting) shall not have a casting vote if, in accordance with the Articles, the Chair or the other Director is not an Eligible Director for the purposes of that meeting (or part of a meeting).

**15. CONFLICTS OF INTEREST**

- 15.1 Provided that he has disclosed to the other Directors the nature and extent of any material interest of his a Director, notwithstanding his office may be:-
- 15.1.1 a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- 15.1.2 a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate or public body in which the Company is interested;
- 15.1.3 a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any Shareholder or any member of the Group of a Shareholder, or any body corporate or public body in which any Shareholder or member of a Shareholder's Group is interested or any person for whom any Shareholder holds Shares as a nominee; and
- 15.1.4 involved in putting in place, amending, operating, implementing or supervising the performance of any transaction or arrangement between the Company or any body corporate or public body in which the Company is otherwise interested and any Shareholder or any member of the Group of a Shareholder, or any body corporate in which any Shareholder or any member of a Shareholder's Group is interested.
- 15.2 If a Director has duly declared his interest in a matter of the nature referred to in Article 15.1:-
- 15.2.1 he shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such undertaking or body corporate;

- 15.2.2 he shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office or employment or any such transaction or arrangement or any interest in any such undertaking or body corporate or public body;
  - 15.2.3 he shall not be required to disclose to the Company, or use in performing his duties as a Director, any confidential information relating to such office or employment if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with such office or employment;
  - 15.2.4 he shall absent himself from discussions, whether at meetings of the Directors or otherwise, and exclude himself from information, which will or may relate to such office, employment, transaction, arrangement or interest; and
  - 15.2.5 no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 15.3 For the purposes of this Article 15:-
- 15.3.1 a Director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer or employee of or holding any position with any Shareholder or any member of the Group of a Shareholder or any body corporate or public body in which any Shareholder or member of a Shareholder's Group is interested or any person for whom any Shareholder holds Shares as a nominee;
  - 15.3.2 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; and
  - 15.3.3 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 15.4 The Directors may in accordance with the provisions of the Act (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law:
- 15.4.1 any matter which would otherwise result in a Director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties); and
  - 15.4.2 a Director to accept or continue in any office, employment or position in addition to his office as a Director and, without prejudice to the generality of Article 15.4.1, may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises
- provided that the authorisation is effective only if:-

- 15.4.3 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other Director interested in the same matter; and
- 15.4.4 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- 15.5 If a matter, office, employment or position has been authorised by the Directors in accordance with Article 15.4 or is authorised under Article 15.1 or has been approved by the Shareholders pursuant to a shareholders' resolution then (subject to such terms and conditions, if any, as the Directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the permissions set out below):-
  - 15.5.1 the Director shall not be required to disclose to the Company, or use in performing his or her duties as a Director of the Company, any confidential information relating to such matter, or such office, employment or position if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with such matter, or that office, employment or position;
  - 15.5.2 the Director shall absent himself from discussions, whether in meetings of the Directors or otherwise, and exclude himself from information, which will or may relate to that matter, or that office, employment or position; and
  - 15.5.3 a Director shall not, by reason of his office as a director of the Company, be accountable to the Company for any benefit which he derives from any such matter, or from any such office, employment or position.
- 15.6 If a matter, office, employment or position has been authorised by the Directors in accordance with Article 15.4 or is authorised under Article 15.1, a Director who has duly declared his interest (so far as he is required to do so) may not vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he is interested, directly or indirectly. If he does, his vote shall be counted; and his presence at the meeting shall not be taken into account in calculating the quorum.
- 15.7 Where there is a Conflict Matter to be considered by the Directors:-
  - 15.7.1 the Directors who are conflicted in respect of such Conflict Matter shall be entitled to attend the meeting at which the Conflict Matter is to be considered to speak and present their views but shall not be entitled to vote on or count in the quorum in respect of such Conflict Matter and shall absent themselves before any discussions regarding the Conflict Matter take place between the Eligible Directors and any votes on the Conflict Matter are taken;
  - 15.7.2 at least two (2) Directors who are Eligible Directors one (1) of whom shall be an Independent Director (unless there is no Independent Director who is an Eligible Director in which case the quorum required shall comprise any two (2) Eligible Directors) shall constitute a quorum for the purpose of considering the Conflict Matter; and
  - 15.7.3 the Directors shall act by a majority vote of the Eligible Directors.
- 15.8 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director (the "**relevant Director**") to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question shall be decided by the Eligible Directors at that meeting, for which purpose the relevant Director is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

- 15.9 For the purposes of these Articles each Director shall be deemed to be interested in anything in which the Shareholder who appointed that Director is interested and in anything in which a member of that Shareholder's Group is interested where that Director is not an Independent Director.

**16. RECORDS OF DECISIONS TO BE KEPT**

- 16.1 The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the Directors whether taken by a meeting of the Directors, a committee of the Directors or by a written resolution of the Directors.
- 16.2 Where decisions of the Directors are taken by electronic means, such decisions must be recorded by the Directors in permanent form so that they may be read by the naked eye.

**17. NUMBER AND METHODS OF APPOINTING DIRECTORS**

- 17.1 The number of Directors shall not be fewer than two (2).
- 17.2 The Shareholder may in accordance with Article 17.3 appoint the Directors of the Company having regard to any skills requirements specified in Relevant Documents.
- 17.3 Any appointment or removal of a Director pursuant to this Article 17 must be in writing and signed by or on behalf of the Shareholder and served on any other Shareholder and the Company at the Company's registered office, marked for the attention of the board of Directors or delivered to a duly constituted meeting of the Directors. Any such appointment or removal shall take effect as at the time of such lodgement or delivery or at such later time as may be specified in such notice.
- 17.4 No Director may be appointed or removed otherwise than pursuant to this Article 18, save as provided by Law.
- 17.5 The Directors shall from time to time be entitled to appoint, maintain in office and remove the Executive Directors.

**18. TERMINATION OF DIRECTOR'S APPOINTMENT AND SUSPENSION**

A person shall cease to be a Director as soon as:-

- 18.1 he is removed in accordance with Article 17;
- 18.2 he ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by Law;
- 18.3 a Bankruptcy order is made against that person;
- 18.4 a composition is made with that person's creditors generally in satisfaction of his debts;
- 18.5 a registered medical practitioner who is treating him 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 (3) months;
- 18.6 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;
- 18.7 both he and any Alternate appointed by him have, for more than six (6) consecutive months been absent without the permission of the other Directors from meetings of

Directors held during that period and the other Directors resolve that he has ceased to be a Director;

18.8 any Shareholder who appointed such Director pursuant to Article 17 ceases to be a Shareholder; or

18.9 being an Executive Director, he ceases for whatever reason, to be employed by the Company;

18.10 in the case of a Director (other than an Independent Director) who has been appointed by a Shareholder pursuant to Article 17 and who is an employee of that Shareholder, ceases to be an employee of that Shareholder; or

18.11 in the case of a Director who has been appointed by a Shareholder pursuant to Article 17 and who is an elected member of the London Borough of Lambeth Council and a member of the Council's Cabinet, ceases to be such a member of Cabinet.

## **19. DIRECTORS' REMUNERATION**

19.1 Directors may undertake any services for the Company that the Directors decide.

19.2 Subject to the terms of any Relevant Agreement Independent Directors are entitled to such remuneration as the Directors determine:-

19.2.1 for their services to the Company as Directors, and

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

19.3 Subject to these Articles and any Relevant Agreement, an Independent Director's remuneration may take any form and 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 Independent Director.

19.4 For the avoidance of doubt, Directors who are not Independent Directors shall not be remunerated by the Company for their role.

19.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of any other body corporate or public body in which the Company is interested.

## **20. DIRECTORS' EXPENSES**

The Company shall pay any reasonable expenses which the Directors and/or the company secretary (if any) properly and reasonably incur in connection with their attendance at:-

20.1 meetings of Directors or committees of Directors;

20.2 general meetings; and/or

20.3 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.

## **21. SECRETARY**

The Directors may appoint any person who is willing to act as the company secretary for such term, at such remuneration and upon such conditions as they may think fit



and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

**22. SHARES**

22.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue. This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum which may be issued nil or partly paid provided that any unpaid nominal value and premium on such shares shall be paid upon the request of the Company.

22.2 Unless all the Shareholders otherwise agree in writing, any shares from time to time issued shall be issued as Shares

22.3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (within the meaning of section 560 of the Act) by the Company.

**23. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

Except as required by Law or pursuant to any Relevant Agreement, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by Law, these Articles and/or any Relevant Agreement, 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.

**24. DIRECTORS' AUTHORITY TO ALLOT SHARES**

Save to the extent authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company.

**25. SHARE CERTIFICATES**

25.1 The Company shall issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

25.2 Every certificate must specify:-

25.2.1 in respect of how many Shares, of what class, it is issued;

25.2.2 the nominal value of those Shares;

25.2.3 that the Shares are fully paid; and

25.2.4 any distinguishing numbers assigned to them.

25.3 No certificate may be issued in respect of Shares of more than one class.

25.4 If more than one person holds a Share, only one certificate may be issued in respect of that Share.

25.5 Certificates must:-

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

25.5.2 be otherwise executed in accordance with the Companies Acts.

**26. REPLACEMENT SHARE CERTIFICATES**

26.1 If a certificate issued in respect of a Shareholder's Shares is:-

26.1.1 damaged or defaced; or

26.1.2 said to be lost, stolen or destroyed

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

26.2 A Shareholder exercising the right to be issued with such a replacement certificate:-

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

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

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

**27. SHARE TRANSFERS**

27.1 No transfer of Shares shall take place or be registered otherwise than in accordance with the terms of any Relevant Agreement and these Articles.

27.2 Save as provided in any Relevant Agreement, no Share and no interest in a Share shall be transferred to or become vested in any person other than the transfer of the whole legal and equitable title to a Share carried out in accordance with these Articles and no Encumbrance shall be created over any Shares.

27.3 The Directors may refuse to register the transfer of a Share if:-

27.3.1 the instrument of transfer is not duly executed, stamped and lodged at the registered office of the Company or at such other place as the Directors may appoint and/or is not accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

27.3.2 it is in respect of more than one class of Shares;

27.3.3 it is in favour of more than four transferees; and/or

27.3.4 they have substantial reasons for believing that it has not been carried out in accordance with the provisions of these Articles or any provision of any Relevant Agreement (as relevant).

27.4 The Directors may also refuse to register any transfer of Shares which is the subject of a request for information and/or evidence under Article 27.7 if there is any failure to provide the information or evidence requested to the reasonable satisfaction of the Directors within a reasonable time after request.

27.5 If the Directors refuse to register a transfer of a Share, they shall as soon as practicable, and in any event within 2 (two) months after the date on which the instrument of transfer was lodged with the Company send to the transferee notice of the refusal and the relevant instrument of transfer.

27.6 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share. The Company may retain any instrument of transfer which is registered.

27.7 For the purpose of:-

27.7.1 ensuring that a transfer of Shares is made in accordance with these Articles and/or any Relevant Agreement; and

27.7.2 ascertaining whether any relevant provisions of these Articles and/or any Relevant Agreement apply,

the Directors may require any Shareholder, the representative of any Shareholder appointed pursuant to section 323 of the Act, the receiver, administrator, administrative receiver or the liquidator of any corporate Shareholder or any person named as transferee in any instrument of transfer lodged for registration to provide the Company with such information and/or evidence as the Directors may require regarding any matter which they may deem relevant to such purpose.

## 28. **COMPLETION OF SHARE TRANSFERS**

28.1 Save as set out in any Relevant Agreement, all transfers of Shares shall be completed at the registered office of the Company (or such other location as the transferor and transferee may agree in writing) when:-

28.1.1 the purchasing Shareholder or Appropriate Transferee as the case may be (the "**Purchaser**") shall pay to each selling Shareholder (a "**Vendor**") the relevant purchase price (if any) for the Shares in pounds sterling by way of CHAPS transfer (or such other method as the Vendor(s) and the Purchaser may agree in writing);

28.1.2 each Vendor shall deliver to the Purchaser:-

(a) a duly executed instrument of transfer of all of the Shares to be transferred accompanied by the relevant share certificate or certificates and such other documents as may be necessary to transfer the Shares to the Purchaser or its nominee; and

(b) a duly executed power of attorney in favour of the Purchaser or its nominee in respect of the Shares pending registration;

28.1.3 the Shareholders shall procure to the extent they are able to do so that any such transfer shall, subject to stamping and to compliance with any relevant provisions of any Relevant Agreement, be approved for registration by the Directors;

28.1.4 each Vendor shall procure that the Directors and officers of the Company and any JV Subsidiary who are nominees of it shall resign and acknowledge in writing that they have no claims against the Company or any JV Subsidiary on any grounds whatsoever.

28.2 By way of security for the performance of their obligations under this Article 30 each of the Shareholders irrevocably appoints the other Shareholder and the Company (jointly and severally) as its proxy and agent ("**Agent**") to act with full power and authority in the appointing Shareholder's name and on its behalf to do all such acts and execute all such documents as may be necessary or desirable to effect any such sale and transfer and to delegate one or more of the powers conferred on it by this Article 28.2 (other than the power to delegate) to officer(s) appointed for that purpose by the Agent and may vary or revoke such delegation at any time.

- 28.3 If any Vendor fails to offer for sale and/or transfer its Shares and/or otherwise fails to take any action required of it in respect of a transfer of its Shares pursuant to these Articles or any Relevant Agreement, the Agent or any person with delegated authority from an Agent may:-
- 28.3.1 undertake any action required under the terms of these Articles or any Relevant Agreement on the part of the Vendor including covenanting on behalf of the Vendor (to the extent that the Vendor would itself covenant in accordance with these Articles or any Relevant Agreement);
- 28.3.2 execute any necessary instruments of transfer on the Vendor's behalf; and
- 28.3.3 deliver such instrument(s) of transfer to the Purchaser (or its nominee):
- (a) against receipt by the Company (to be held in a separate bank account in the Company's name, together with any interest earned thereon, on trust for the Vendor) of the consideration payable for the relevant Shares (the receipt by the Company being a good discharge to the Purchaser, who will not be bound to see to the application of it); and
- (b) on compliance by the Purchaser and, where relevant, the Company with all other terms of the sale.
- 28.4 Following approval by the Board acting through the Eligible Director of the registration of the transfer(s) as contemplated by Article 28.1.3, the Company shall register the Purchaser (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Purchaser (or its nominee) shall not be affected by any irregularity in, or invalidity of such proceedings, which shall not be questioned by any person. The Vendor shall in such a case be bound to deliver up its certificate for its Shares to the Company, or an indemnity in the form approved by the Board acting through the Eligible Director (acting reasonably) as to the loss of its share certificate (as applicable), upon receipt of which by the Vendor shall be entitled to receive the purchase price for such Shares (together with any accrued interest).
- 28.5 Each Shareholder irrevocably undertakes:-
- 28.5.1 to ratify and confirm whatever any of his Agent or any delegate does or purports to do in good faith whilst acting as its agent in accordance with the provisions of Articles 28.2 to 28.4 inclusive; and
- 28.5.2 indemnify and hold harmless his Agent and any delegate on demand from and against all claims, losses, costs, expenses, damages or liability incurred by the Agent or any delegate as a result of acting in good faith pursuant to the provisions of Article 28.2 (including any costs incurred in enforcing this indemnity).
- 28.6 Each Vendor shall transfer its Shares with full title guarantee and free from any Encumbrance.
- 28.7 Notwithstanding any provision in these Articles or any Relevant Agreement or any other rights of the Company (at common law or in equity), the Company shall be entitled to set off against any monies held by it pursuant to this Article 28, any amount or amounts owed to or claimed by the Company (as the case may be), by or from each Vendor (including any sums in respect of breaches of the provisions of these Articles and/or any Relevant Agreement).
- 28.8 In addition to the provisions in Articles 28.1 to 28.7, where there is a transfer of Shares from one Shareholder to another Shareholder (and for the purposes of this Article 28.8

references to "Purchaser" shall be interpreted as being to the purchasing Shareholder):-

- 28.8.1 the Purchaser shall use all reasonable endeavours to procure the release of the Vendor from any outstanding guarantee given by it of any liability of the Company and shall procure, subject to Article 28.8.4, the immediate repayment to the Vendor of any loans made by it to the Company;
- 28.8.2 the Purchaser shall on demand indemnify the Vendor against any liability which it might, after the date of the purchase of the Shares incur under any such guarantee as is referred to in Article 28.8.1 which is not so released or against any loss which it may incur in respect of any such loan;
- 28.8.3 the Vendor shall repay on demand all loans, loan capital, borrowings and indebtedness in the nature of borrowings (together with any accrued interest) outstanding from it or any member of its Group (other than the Company) to the Company whether or not payment or repayment of such sums has fallen due; and
- 28.8.4 notwithstanding any provision in these Articles or any Relevant Agreement or any other rights of the Shareholders (including rights of set-off at common law or in equity) the Purchaser shall be entitled to set off against any monies which would (but for this Article 28.8.4) be payable or repayable by the Purchaser any amount or amounts owed by the Vendor to, or claimed by, the Purchaser from the Vendor (including any sums in respect of breaches of the provisions of these Articles and/or any Relevant Agreement) and the Company shall be entitled (by giving written notice to the Purchaser) to require the Purchaser to set off against such monies any amount or amounts owed by the Vendor to the Company (including any sums in respect of breaches of the provisions of these Articles or any Relevant Agreement) and/or any JV Co Subsidiary and to require the Purchaser to pay such sums to the Company for its account.

## 29. PERMITTED TRANSFERS

- 29.1 For so long as the Shares are held by the London Borough of Lambeth Council (the "**Council**") or by a body corporate controlled by it, the Shareholder may at any time transfer the whole (but not part only) of its interest in the Shares to another party provided that it complies with the following requirements:

- 29.1.1 it is approved by the unanimous vote of full Cabinet of the Council approving the proposed transfer and its terms;
- 29.1.2 it is approved by at least a two thirds majority vote of full Council approving the proposed transfer and its terms; and
- 29.1.3 it receives a majority vote of the Board approving the proposed transfer and its terms.

## 29.2 PRE-EMPTIVE TRANSFERS

- 29.3 Unless the transfer is permitted by Article 31 a Shareholder or person entitled to a Share by transmission is prohibited from transferring or disposing of or agreeing to transfer or dispose of or grant any interest or right in any Share to any person unless such Shares have been offered for sale to the other Shareholders in accordance with this Article.
- 29.4 The offer referred to in Article 29.3 must be effected as follows:-

- 29.4.1 the Shareholder wishing to sell the Shares (the "Transferor") must serve notice in writing on the Company that he wishes to sell Shares (a "Transfer Notice");
- 29.4.2 the Transfer Notice must:-
- (a) specify the number and class of Shares offered (the "**Sale Shares**"); and
  - (b) specify the identity of any proposed transferee; and
  - (c) set out the price per Share at which the Sale Shares are proposed to be offered (the "**Specified Price**"); and
  - (d) contain any other terms relating to the proposed sale; and
  - (e) state whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the provisions of this Article (a "**Total Transfer Condition**"); and
  - (f) appoint the Company as the agent of the transferor for the sale of the Sale Shares on the terms of this Article; and
  - (g) save as provided in Article 29.10, be irrevocable; and
  - (h) not contain or be deemed to contain a total transfer condition unless this is both expressly stated and is permitted by these Articles.
- 29.5 The Sale Shares shall be offered for purchase at a price per Sale Share (the "Sale Price") agreed between the transferor and the Directors. If they cannot agree the Sale Price by the end of the 20th working day after the date of service of the Transfer Notice, the Directors must instruct the Valuers to determine the open market value of each Sale Share in accordance with Article 29.6 (the "Market Value") as at the date of service of the Transfer Notice. The Transferor and the Company must take all reasonable steps to co-operate with the Valuers in the valuation process and in particular must agree to the terms of engagement of the Valuers provided that those terms of engagement are reasonable and consistent with the rights and obligations of the Company and the Transferor as set out in these Articles.
- 29.6 If instructed by the Directors to report on Market Value, the Valuers shall:-
- 29.6.1 act as expert and not as arbiter and their written determination shall be final and binding on the Shareholders (except in the case of manifest error); and
  - 29.6.2 proceed on the basis that the market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares forms part, divided by the number of issued Shares then comprised in that class, applying no premium or discount to take into account to the size of the holding the subject of the Transfer Notice and/or any restrictions on the transferability of the Sale Shares (the "Market Value"); and
  - 29.6.3 be entitled in their absolute discretion to appoint legal advisers to advise on the interpretation and effect of any records or documents provided to it for the purposes of determining the Market Value.
- 29.7 The Company must use its reasonable endeavours to procure that the Valuers deliver their report on the Market Value to the Directors and to the Transferor within 28 days of being requested to do so.

- 29.8 One half of the Valuers' fees for reporting on Market Value must be paid by the Transferor and the other half must be paid by the purchasers pro rata to the number of Sale Shares purchased by them unless:-
- 29.8.1 the Transferor revokes the Transfer Notice pursuant to Article 29.10; or
  - 29.8.2 none of the Sale Shares are purchased pursuant to this Article 29.2,
- when the Transferor shall pay all the Valuers' fees.
- 29.9 The Sale Price shall be the lower of:-
- 29.9.1 the Specified Price; and
  - 29.9.2 the Market Value.
- 29.10 If the Market Value determined and reported by the Valuers is less than the Specified Price, the Transferor may revoke the Transfer Notice by giving written notice to the Directors within the period of seven working days after the date the Directors deliver the Valuers' report on Market Value to the Transferor.
- 29.11 Within 20 working days after the Sale Price has been agreed or determined, the Directors must give written notice (the "Offer Notice") to the Shareholders (other than the Transferor) of:-
- 29.11.1 the Sale Price; and
  - 29.11.2 the other information set out in the Transfer Notice; and
  - 29.11.3 unless the Transfer Notice is deemed to be given as provided in these Articles, the identity of any proposed transferee
- and it must invite each Shareholder to state by written notice to the Company within 30 working days whether he is willing to purchase any of the Sale Shares and if so, the maximum number of Shares he is willing to purchase.
- 29.12 The Sale Shares must be offered to Shareholders who hold Shares of the same class as the Sale Shares and to the extent not accepted by those Shareholders, to Shareholders holding Shares of other classes (but no Shares shall be treated as offered to the transferor or any other Shareholder who is then bound to give, has given or is deemed to have given a Transfer Notice).
- 29.13 After the expiry date of the Offer Notice, (or earlier if valid applications have been received for all the Sale Shares offered prior to such expiry date), the Directors must allocate the Sale Shares to or amongst the Shareholders in accordance with the applications received. If:-
- 29.13.1 there are applications from any class of Shareholders for more than the number of Sale Shares available for that class, the Sale Shares shall be allocated to those Shareholders in proportion (as nearly as possible but without allocating to any Shareholder more Sale Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively;
  - 29.13.2 if it is not possible to allocate any of the Sale Shares without involving fractions, those Shares shall be allocated amongst the Shareholders of each class in such manner as the Directors think fit; and
  - 29.13.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.

- 29.14 Within five working days of the expiry date of the last Offer Notice, the Directors must give notice in writing (a "Sale Notice") to the Transferor and to each Shareholder to whom Sale Shares have been allocated (each a "Purchaser") specifying:-
- 29.14.1 the name and address of each Purchaser; and
  - 29.14.2 the number of Sale Shares agreed to be purchased by him; and
  - 29.14.3 the total price payable for the Sale Shares.
- 29.15 Each Purchaser must no later than five working days after such allocation pay to the Transferor the total sale proceeds for the transfer of the relevant Sale Shares to him at the price per Share equal to the Sale Price (the "Proceeds of Sale") and upon payment of such sum, the Transferor must deliver the documents required to transfer the Sale Shares to the Company and the Directors must register such transfer and deliver the relevant share certificate to the relevant purchaser.
- 29.16 If the Transferor does not transfer the Sale Shares when required pursuant to Article 29.15:-
- 29.16.1 the Chair (or, failing him, any other Director or some other person nominated by a resolution of the Directors may, as agent on behalf of the Transferor execute the necessary transfer of such Sale Shares and deliver it on the Transferor's behalf;
  - 29.16.2 the Company may receive the purchase money for such Sale Shares from the Purchaser and upon receipt (subject, if necessary, to the transfer being duly stamped) must register the purchaser as the Holder of such Sale Shares;
  - 29.16.3 the Company must hold any purchase money paid to it in a separate bank account on trust for the Transferor but need not earn or pay interest on any money so held;
  - 29.16.4 the Company's receipt for such purchase money will be a good discharge to the purchaser who is not required to see to the application of it; and
  - 29.16.5 after the name of the Purchaser has been entered in the register of Shareholders, the validity of the proceedings cannot be questioned by any person.
- 29.17 The Transferor may, for 60 working days after the expiry date of the Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice or, if no transferee was named, to any person at any price per Sale Share which is not less than the Sale Price, required provided that:-
- 29.17.1 the Transferor may not transfer any Sale Share and the Directors shall not register any transfer to a transferee who is not at that date a Shareholder unless such transferee is first approved in writing by the Directors; and
  - 29.17.2 if the Transfer Notice contained a total transfer condition, the Transferor shall not be entitled to sell only some of the Sale Shares under this Article unless he has obtained the written consent of all the other Shareholders.

### 30. TRANSMISSION OF SHARES

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



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

30.2.1 may, subject to the Articles within 28 clear days of written notice to that effect, choose either to become the holder of those shares or to have them transferred to another person (and if no choice is made by the transferee, he shall be deemed to have elected to become the holder of those shares); and

30.2.2 subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had save that the transmittee does 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 he is entitled, by reason of the holder's death or bankruptcy or otherwise, unless he becomes the holder of those shares.

30.3 Article 55 shall apply to the notice referred to in Article 30.2.1 as if it were an instrument of transfer executed by the shareholder and the event resulting in title to the share passing to the transmittee had not occurred.

### **31. EXERCISE OF TRANSMITTEES' RIGHTS**

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

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

31.3 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.

### **32. TRANSMITTEES BOUND BY PRIOR NOTICES**

32.1 If a notice is given to a shareholder 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 shareholder before the transmittee's name or the name of any person nominated by the transmittee in accordance with Article 47.2 has been entered in the register of members.

### **32.2 PURCHASE OF OWN SHARES OUT OF CAPITAL**

32.3 Subject to the Act, but without prejudice to any other provisions of these Articles, the Company may purchase its own Shares with cash up to any amount in a financial year, not exceeding the lower of:

32.3.1 £15,000; or

32.3.2 the nominal value of 5% of its fully paid share capital as at the beginning of the financial year.

32.4 If the share capital of the Company is not denominated in sterling, the value in sterling of the share capital shall be calculated, for the purpose of Clause 48.1, at an appropriate spot rate of exchange prevailing on a day specified in the resolution authorising the purchase of Shares.

### **33. FRACTIONAL ENTITLEMENTS**

33.1 If on any consolidation and division or sub-division of shares, shareholders are entitled to fractions of shares, the directors may:-

- 33.1.1 sell the shares representing the fractions to any person (including the Company) for the best price reasonably obtainable; and
  - 33.1.2 distribute the net proceeds of sale in due proportion among the holders of the shares.
- 33.2 Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the directors, that shareholder's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.
- 33.3 The person to whom the shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 33.4 The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.
- 34. **PROCEDURE FOR DECLARING DIVIDENDS**
- 34.1 The Company may by ordinary resolution declare dividends in accordance with the terms of any Relevant Agreement.
- 34.2 A dividend shall not be declared unless the Directors have made a recommendation as to its amount and shall not exceed the amount recommended by the Directors.
- 34.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights under these Articles and any Relevant Agreement.
- 34.4 Subject to any Relevant Agreement, any dividend shall be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.
- 35. **CALCULATION OF DIVIDENDS**
- 35.1 Except as otherwise provided by these Articles, any Relevant Agreement or the rights attached to the Shares, all dividends shall be:-
  - 35.1.1 declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and
  - 35.1.2 apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.
- 35.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share shall rank for dividend accordingly.
- 35.3 For the purposes of calculating dividends, no account shall be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.
- 36. **PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**
- 36.1 In these Articles, the **"Distribution Recipient"** means, in respect of a Share on which a dividend or other sum is payable:-
  - 36.1.1 the Shareholder holding that Share; or
  - 36.1.2 if the Share has two or more joint holders, whichever of them is named first in the register of members; or

- 36.1.3 if the Shareholder is no longer entitled to the Share by operation of Law, the transmittee.
- 36.2 Where a dividend or other sum which is a distribution is payable in respect of a Share, it shall be paid by one or more of the following means:-
- 36.2.1 transfer to a bank or building society account specified by the Distribution Recipient in writing;
- 36.2.2 sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient in writing;
- 36.2.3 sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified in writing; or
- 36.2.4 any other means of payment as the Directors agree with the Distribution Recipient in writing.
37. **NO INTEREST ON DISTRIBUTIONS**
- The Company shall not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:-
- 37.1 the terms on which the Share was issued; or
- 37.2 the provisions of another agreement between the Shareholder holding that Share and the Company.
38. **UNCLAIMED DISTRIBUTIONS**
- 38.1 All dividends or other sums which are:-
- 38.1.1 payable in respect of Shares; and
- 38.1.2 unclaimed after having been declared or become payable
- may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.
- 38.2 The payment of any such dividend or other sum into a separate account shall not make the Company a trustee in respect of it.
- 38.3 If:-
- 38.3.1 twelve (12) years have passed from the date on which a dividend or other sum became due for payment; and
- 38.3.2 the Distribution Recipient has not claimed it
- the Distribution Recipient shall no longer be entitled to that dividend or other sum and it shall cease to remain owing by the Company.
39. **NON-CASH DISTRIBUTIONS**
- 39.1 Subject to the terms of issue of the Share in question and any Relevant Agreement, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a

Share by transferring non-cash assets of equivalent value (including shares or other securities in any company).

- 39.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:-

39.2.1 fixing the value of any assets;

39.2.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

39.2.3 vesting any assets in trustees.

#### 40. **WAIVER OF DISTRIBUTIONS**

- 40.1 Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:-

40.1.1 the Share has more than one holder; or

40.1.2 more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint holders, or otherwise

the notice shall not be effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

#### 41. **GENERAL MEETINGS**

- 41.1 The notice of a general meeting of the Company shall be in writing and must state:-

41.1.1 the time and date of the meeting;

41.1.2 the place of the meeting; and

41.1.3 the general nature of the business to be transacted.

#### 42. **ANNUAL GENERAL MEETINGS**

The Company is not required to hold an annual general meeting.

#### 43. **ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 43.1 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.

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

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

43.2.2 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.

- 43.3 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.

- 43.4 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.

**44. QUORUM FOR GENERAL MEETINGS**

- 44.1 The quorum at any general meeting of the Company or adjourned general meeting shall be one Shareholder present in person or by proxy or (if a corporation) by duly authorised representative.
- 44.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 44.3 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting shall be adjourned to the same day of the next week at the same time and each Shareholder shall be notified by the Company within forty eight (48) hours of the adjournment of such meeting by the Company of the date, time and place of the adjourned meeting and any notice provisions contained in any Relevant Agreement shall apply.

**45. CHAIRING GENERAL MEETINGS**

- 45.1 The Chair appointed for the purposes of Directors' meetings shall chair general meetings if present and willing to do so. If the Chair gives notice that he is unable to attend any general meeting or unwilling to chair the meeting or is not present within ten (10) minutes of the time at which a meeting was due to start, the Shareholder who appointed him shall be entitled to appoint another of its nominated Directors present at the meeting to chair the meeting.
- 45.2 Where the Chair is not the chair of a general meeting as a result of the provisions of Article 45.1, the appointment of the Chair of the meeting shall be the first business of the meeting.
- 45.3 The person chairing a meeting in accordance with this Article 45 is referred to in these Articles as the "Chair of the meeting".

**46. CORPORATE REPRESENTATIVES**

Where a member that is a corporation (including a corporation sole in the case of the A Shareholder) has authorised a representative or representatives to act on its behalf at a general meeting in accordance with section 323 of the Act:

- 46.1 the corporation shall, for the purposes of these articles, be deemed to be present in person at any such meeting if any such representative is present at it, and all references to attendances and voting in person shall be construed accordingly;
- 46.2 a director or the company secretary (if any) may require any such representative to produce a certified copy of such authority before such representative is entitled to exercise any power on behalf of the corporation which he represents; and
- 46.3 a vote given or poll demanded by such representative at a general meeting or adjourned meeting shall be valid even though his authority has previously terminated unless notice in writing of the termination was received by the Company before the commencement of that meeting.

**47. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

- 47.1 Each Director may attend and speak at general meetings.

47.2 The Chair of the meeting may at the relevant meeting permit other persons who are not:-

47.2.1 Shareholders of the Company; or

47.2.2 otherwise entitled to exercise the rights of Shareholders in relation to general meetings

to attend and speak at such meeting.

#### 48. **ADJOURNMENT**

48.1 If during a meeting a quorum ceases to be present, the Chair of the meeting shall adjourn it.

48.2 If a resolution submitted to a duly convened general meeting is not carried at that meeting, the meeting may on the written request of any Shareholder present in person or by proxy be adjourned for 3 Business Days and then reconvened.

48.3 The Chair of the meeting may adjourn a general meeting at which a quorum is present if the meeting consents to an adjournment.

48.4 The Chair of the meeting shall adjourn a general meeting if directed to do so by the meeting.

48.5 When adjourning a general meeting, the Chair of the meeting shall:-

48.5.1 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

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

48.6 If the continuation of an adjourned meeting is to take place more than fourteen (14) days after it was adjourned, the Company shall give at least seven (7) clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):-

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

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

48.7 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.

#### 49. **VOTING: GENERAL**

49.1 At a general meeting every Shareholder who is present in person or by proxy (unless the proxy is himself a Shareholder entitled to vote) has one (1) vote for each Share of which he is the holder and on a vote on a written resolution, every Shareholder has one (1) vote for each Share of which he is the holder, in each case except that the Shareholders agree with each other that Shares of one class do not confer any right to vote upon a resolution for the removal from office of a Director appointed by the holder of the Shares of the other class under a right to appoint which is a class right.

#### 50. **CONTENT OF PROXY NOTICES**

50.1 A proxy may be validly appointed only by notice in writing (a "**Proxy Notice**") which:-

- 50.1.1 states the name and address of the Shareholder appointing the proxy;
  - 50.1.2 identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
  - 50.1.3 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 50.1.4 is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which the proxy appointment relate.
- 50.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 50.3 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.
- 50.4 Unless a Proxy Notice indicates otherwise, it must be treated as:-
- 50.4.1 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
  - 50.4.2 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.

## 51. DELIVERY OF PROXY NOTICES

- 51.1 Any notice of a general meeting must specify the address (the "**Proxy Notification Address**") at which the Company will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.
- 51.2 A person who is entitled to attend, speak or vote 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. However, if that person votes at the meeting or adjourned meeting on a resolution, then as regards the resolution any Proxy Notice delivered to the Company by or on behalf of that person shall be invalid.
- 51.3 A Proxy Notice shall be delivered to a Proxy Notification Address not less than forty eight (48) hours before the general meeting or adjourned meeting to which it relates. A Proxy Notice which is not delivered in such manner shall be invalid unless the Directors in their absolute discretion accept the Proxy Notice at any time before the meeting.
- 51.4 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.
- 51.5 A notice revoking a proxy appointment shall take effect only if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 51.6 If a Proxy Notice is not executed by the person appointing the proxy, it shall be accompanied by written evidence of the authority of the person who executed it to execute it on the relevant Shareholder's behalf.

## 52. AMENDMENTS TO RESOLUTIONS

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

- 52.1.1 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 Chair of the meeting may determine); and
- 52.1.2 the proposed amendment does not, in the reasonable opinion of the Chair of the meeting, materially alter the scope of the resolution.
- 52.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:-
- 52.2.1 the Chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- 52.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 52.3 If the Chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error shall not invalidate the vote on that resolution.

### 53. NOTICES AND COMMUNICATION

- 53.1 Any notice, document or information shall be in writing and the following table sets out the method by which notices may be served and the respective deemed time and proof of service. All references to time are to local time in the place of deemed receipt:

<b>Manner of Delivery</b>	<b>Deemed time of delivery</b>	<b>Proof of Service</b>
Email	9.00am on the first Business Day after sending	Dispatched in an emailed pdf form to the correct e-mail address without any error message.
Personal delivery	On delivery, provided that delivery is between 9.00am and 5.00pm on a Business Day. Otherwise, delivery will occur at 9.00am on the same Business Day (if delivery is before 9.00am) or 9.00am on the next Business Day (if after 5.00pm).	Properly addressed and delivered as evidenced by signature of a delivery receipt.
Prepaid, Recorded delivery or other service providing proof of delivery.	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Business Day. Otherwise, delivery will occur at 9.00am on the same Business Day (if delivery is before 9.00am) or on the next Business Day (if after 5.00pm).	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt.
Prepaid international air postal service with a requirement for signature	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a	Properly addressed, prepaid and delivered as evidenced by signature of a



<b>Manner of Delivery</b>	<b>Deemed time of delivery</b>	<b>Proof of Service</b>
on delivery.	Business Day. Otherwise, delivery will occur at 9.00am on the same Business Day (if delivery before 9.00am) or 9.00am on the next Business Day (if after 5.00pm).	delivery receipt

53.2 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.

53.3 Any notices served under these Articles may be served by email, provided that in the case of any notice served pursuant to the provisions of Articles 34, 35, 36 and 38 a confirmation copy of the email is sent to the recipient by personal delivery or recorded delivery in the manner set out in the table in Article 53.1. Failure to send a confirmation copy by personal delivery or recorded delivery will invalidate the service of any email transmission. The deemed time of delivery of such notice shall be the deemed time of delivery of the confirmation copy sent by personal delivery or recorded delivery, as set out in the table at Article 53.1.

53.4 The Company shall forthwith supply to each Shareholder a copy of any notice which may be given to or served on it in accordance with these Articles.

#### 54. **COMPANY SEALS**

54.1 Any common seal may only be used by the authority of the Directors.

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

54.3 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 at least one authorised person in the presence of a witness who attests the signature.

54.4 In this Article, an authorised person is:-

54.4.1 any Director of the Company;

54.4.2 the company Secretary (if any); or

54.4.3 any person authorised by the Directors to sign documents to which the common seal is to be applied.

#### 55. **INDEMNITY AND INSURANCE**

55.1 Subject to Article 55.2 but without prejudice to any indemnity to which he is otherwise entitled, a Relevant Director shall be indemnified out of the Company's assets against:-

55.1.1 any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company; and/or

55.1.2 any other liability incurred by that Director as an officer of the Company or an associated company

including (in each case) and without prejudice to the generality of the foregoing, any liability incurred defending any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company or an associated Company in which judgment is given in his favour or in which he is acquitted, or which are otherwise disposed of without any finding or admission of material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company or an associated company.

55.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of Law.

55.3 Save to the extent that the Directors otherwise agree, the Directors shall purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.

55.4 In this Article 55:-

55.4.1 a "**Relevant Director**" means any Director or secretary or former Director or secretary of the Company or an associated company;

55.4.2 a "**Relevant Loss**" means any loss or liability which has been or may be incurred by a Relevant Director in connection with the execution of his duties as a Director or the exercise of his powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

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

## 56. **SHAREHOLDERS' RESERVE POWER**

56.1 The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specified action.

56.2 No such resolution invalidates anything which the Directors have done before the passing of the resolution.