

COMPANY NUMBER: 02218630

THE COMPANIES ACT 1985 & 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

COMPASS NORTH MANAGEMENT LIMITED

Incorporated the 8th day of February 1988

(adopted on 20 October 1989 as amended by special resolutions passed on 29 September 1994 and 12 August 2020)



INTERPRETATION

1. The Regulations contained or incorporated in Table A in the Companies (Tables A-F) Regulations 1985 (as amended prior to the date of adoption of these Articles) (such Table being hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied hereby or inconsistent herewith and such Regulations (save as so excluded or varied or inconsistent) and the Articles hereinafter contained shall be the regulations of the Company.

2. In these Articles:-

"the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;

"the Seal" means the Common Seal of the Company;

"Secretary" means any person appointed to perform the duties of the Secretary of the Company;

"the United Kingdom" means Great Britain and Northern Ireland;

"the Estate" shall have the meaning assigned to it under the Memorandum of Association but shall also include any other land or premises for the time being also owned or managed by the Company;

"Unit" means any part or parts of the Estate let under lease from the Company or from the Developer of a Unit or of any land or premises for the time being also owned or managed by the Company-

"the office" means the registered office of the Company;

"month" means calendar month;

"Shares" means the ordinary shares in the Company and "Share" shall be construed accordingly;

"Unit Holder" means the owner for the time being of a lease held from the Company or from the Developer of a Unit and so that whenever two or more persons are for the time being joint owners of such a lease they shall for all the purposes of these Articles be deemed to constitute the Unit Holder in respect of that lease.

Expressions referring to writing, shall, unless the contrary intention appears be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form.

Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

3.

- (a) In accordance with Section 91(1) of the Act Section 89(1) and sections 90(1) to (6) inclusive of the Act shall be excluded from applying to the Company.
- (b) No share may be issued other than to a Unit Holder.

SHARE CAPITAL AND VARIATION OF RIGHTS

4.

- (a) The share capital of the Company is £100 divided into 100 Ordinary Shares of £1 each all of which are in issue.
- (b) In accordance with the provisions of Clause 4 of the Memorandum of Association of the Company the holders of the Shares shall not be entitled to a distribution of profits whether by way of dividend, bonus or otherwise or to any repayment of capital or distribution of any property of the Company during the continuation of the Company.
- (c) Any Corporation which is a Member of the Company may authorise such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of Members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual Member of the Company.
- (d) Every Member present in person or by its corporate representative or by proxy at a General Meeting of the Company shall upon a show of hands have one vote, and upon a poll every Member present in person or by proxy or by its corporate representative shall have one vote in respect of each Ordinary Share held by him. Any Member present in person or by corporate representative or by proxy shall have the right to demand a poll and Regulations Clauses 46 and 54 in Table A shall be amended accordingly.

5. Whenever the capital of the Company is divided into different classes of shares or groups, the special rights attached to any class or group may, subject to the provisions of the Act, either with the consent in writing of the holders of three-fourths of the issued shares of the class or group, or with the sanction of an extraordinary resolution passed at a separate general meeting of such holders (but not otherwise), be modified or abrogated, and may be so modified or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate general meeting of any class or group of shareholders held for the purpose of these presents all the provisions of these presents relating to general meetings of the Company or to the proceedings thereat shall, "mutatis mutandis", apply, except that the necessary quorum shall be three persons at least together holding or representing by proxy one-third in nominal amount of the issued shares of the class or group (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those members

¹ "and sections 90(1) to (6) inclusive" inserted by a special resolution passed on 29 September 1994

who are present shall be a quorum), and that the holders of shares of the class or group shall, on a poll, have one vote in respect of every share of the class or group held by them respectively.

TRANSFER AND TRANSMISSION OF SHARES

6.

- (1) A Share may be transferred only to a person who is a Unit Holder. Provided that the Directors may without assigning any reason refuse the registration of any transfer if the Company has a lien on the share or shares comprised in the transfer or if there are any moneys due and owing from the proposing transferor to the Company or if the proposing transferee whether a Member of the Company or not has not at the time when the transfer is presented for registration acquired the interest of the proposing transferor as a Unit Holder.
- (2) No person shall be entitled to be registered as the holder of a Share unless the request for registration is accompanied by a Stock Transfer form in respect of such Share executed in blank by the transferor² together with a Form of Authority in the terms set out below:-

"To the Secretary

Compass North Management Limited ("the Company")

Dear Sir,

I/We hereby appoint you as my/our attorney with full power on my/our behalf to complete (by inserting therein the name of the transferee and dating the same) the Stock Transfer form executed in blank by me/us and delivered to you with this authority upon the terms and in the events specified in Article 6(3)(c) of the Articles of Association of the Company.

Yours faithfully,

....."

- (3)
 - (a) If a Unit Holder parts with all interest in a Unit, or if that Unit) Holder's interest therein ceases and determines for any reason, the Unit Holder, or in the event of the Unit Holder's death, bankruptcy or liquidation that Unit Holder's personal representative, trustee in bankruptcy or liquidator as the case may be shall transfer the Unit Holder's Share(s) in the Company to the person or body becoming a Unit Holder in the former Unit Holder's place.

² The word "intended transferee" replaced with "transferor" by a special resolution passed on 12 August 2020.

- (b) The price to be paid on the transfer of every Share under this Article shall, unless the transferor and the transferee otherwise agree, be its nominal value.
 - (c) If the holder of a Share (or the personal representative, trustee in bankruptcy or liquidator of such holder) refuses or neglects to transfer it in accordance with this Article, the Secretary of the Company shall complete the Stock Transfer form held by one Company pursuant to Article 6(2) above and deliver the same to the person or persons to whom the share ought to be transferred hereunder; and the Company may give a good discharge for the purchase money and enter the name of the transferee of the said Share in the Register of Members as the holder thereof.
- (4) If any Unit Holder (**Transferor**) has assigned or transferred his interest in a Unit to a third party (**Transferee**) and such Transferor, for whatever reason, fails to transfer his Share(s) to the Transferee within 14 days of such assignment or transfer then, on the application of the Transferee, accompanied by a copy of the deed of transfer of the Unit to the Transferee and a deed of indemnity acceptable to the Company in relation to any missing share certificate(s), the Company shall, at the expense of the Transferee:
- (a) acting by a Director as agent on behalf of the Transferor, complete, execute and deliver a stock transfer form in the name of the Transferor (for nil consideration) and all other documents necessary to give effect to the transfer of the relevant Share(s) to the Transferee;
 - (b) enter the Transferee's name in the register of members as the holder of the relevant Share(s); and
 - (c) prepare and execute a share certificate in respect of the Share(s) in the name of the Transferee and deliver such share certificate to the Transferee."

7.

- (a) The Directors shall refuse to register any transfer of Shares made in contravention of the foregoing provisions, but otherwise shall have no power to refuse to register a transfer.
- (b) Regulation 24 in Table A shall not apply to the Company.

FORFEITED SHARES

- 8. Any forfeited share may only be dealt with by the Directors in accordance with Clause 6 above and Regulation 20 of Table A shall be amended accordingly.

GENERAL MEETINGS AND RESOLUTIONS

- 9. Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies; and

³ Inserted by a special resolution passed on 12 August 2020

notices of and other communications relating to any General Meeting which any Member is entitled to receive shall be sent to the Directors and to the Auditor for the time being of the Company. 'In Regulation 38(b) of Table A, the words "ninety-five per cent" shall be deleted and "ninety per cent" shall be substituted therefor.

10. Regulation 41 in Table A shall be read and construed as if the words", and 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" were added at the end.
11. With respect to any such resolution in writing as is referred to in Regulation 53 of Table A:-
 - (a) In the case of joint holders of a Share the signature of any one of such joint holders shall be sufficient for the purposes of Regulation 53;
 - (b) In the case of a corporation which holds a share, the signature of any director or the secretary thereof shall be sufficient for the purposes of Regulation 53.
12. The Chairman of a Meeting shall have no casting vote and Regulation 50 in Table A shall not apply to the Company.

DIRECTORS

13. A Director shall not be required to hold any qualification shares in the Company, but nevertheless shall be entitled to attend and speak at any General Meeting and at any separate General Meeting of the holders of any class of shares in the capital of the Company.
14. Each Member shall have the power to appoint one person to be a Director and at any time on giving written notice thereof to the Company to remove and/or to replace him and any other person who is appointed in his stead. Where any Share is registered in Joint Names such appointment or written notice shall be signed by each such joint holder. A Director shall (unless he is the sole Director of the Company) immediately vacate his office upon the person by whom he was appointed ceasing to be a Member of the Company.
15. A Director may vote as a Director in regard to any contract or arrangement in which he is interested or upon any matter arising thereout, and if he shall so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration; and Regulations 94-96 in Table A shall be modified accordingly.
16. Regulation 87 in Table A shall not apply to the Company.

BORROWING POWERS

17. The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part

⁴ Inserted by a special resolution passed on 29 September 1994

thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

ROTATION OF DIRECTORS

18. The Directors shall not be liable to retire by rotation, and accordingly Regulations 73 to 80 (inclusive) shall not apply to the Company.

PROCEEDINGS OF DIRECTORS

19.

- (a) Any Director or member of a committee of the Board may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and any Director or member of a committee participating in a meeting in this matter shall be deemed to be present in person at such meeting.
- (b) A Director may by notice to the Company in writing appoint any person to be an alternate Director in his place and similarly remove any person so appointed by him. A person appointed to be the alternate Director of two or more Directors shall, subject to the provisions of this Article, be entitled to a separate vote on behalf of each of his appointors. The person so appointed shall (a) not be required to hold any qualification share (b) shall be entitled to receive notices of and to attend and vote at Meetings of the Board (c) shall vacate his office when the appointor delivers notice to the Company of termination of his appointment or the appointor himself ceases for any reason to hold office as a Director. An appointment of an alternate Director under this Clause shall not prejudice the right of the appointor to receive notices of and to attend and vote at Meetings of the Board and the power of the alternate Director shall automatically be suspended during such time as the Director appointing him is himself present in person at a Meeting of the Board. Regulations 65 and 66 of Table A shall not apply to this Company.
- (c) The Chairman at a meeting of the Directors shall have no casting vote and Regulation 88 in Table A shall be amended accordingly.

INDEMNITY

20.

- (a) Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act, in which relief is granted to him by the Court, and no Director or other Officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office

or in relation thereto. But this Article shall only have effect insofar as its provisions are not avoided by Section 310 of the Act.

- (b) Accordingly, Regulation 118 in Table A shall not apply to the Company.

INCOME AND PROPERTY

21.

- (a) The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to Members of the Company, provided that nothing herein shall prevent any payment in good faith to any Director, Officer, Servant or Member of the Company of reasonable and proper remuneration for any services rendered to the Company, of all reasonable and proper expenses incurred by the Company, of interest on money lent to the Company at a reasonable and proper rate or of reasonable and proper rent for premises demised or let to the Company.
- (b) Regulations 102 to 108 and 110 of Table A shall not apply to the Company.

MAINTENANCE CHARGE DEFICIT

22.

If the Company is not fully reimbursed by payments received from Unit Holders or other persons for the cost of performing its obligations in relation to the Estate, it may require such payments to be made to it by holders of the Shares as are necessary to make good any deficit. Equal sums shall be demanded from the holder of each Share, but supplementary demands may be made if any shareholder fails to make the payment demanded. On the subsequent recovery by the Company of any sum in excess of the costs incurred by it, the surplus shall be applied first in payment or crediting pro rata any shareholder who under this provision has paid more than any other shareholder, until such inequality is eliminated.