



**THE COMPANIES ACT 1985**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**of**  
**STOCKLEY PARK CONSORTIUM LIMITED**  
**(Adopted by Special Resolution passed on 25th July, 1988)**  
**(Amended by Special Resolution passed on 23rd October, 1995)**

**PRELIMINARY**

1. In these Articles:

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

"Table A" means Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985).

"Bank Loan" means the £15,000,000 credit facility agreement dated 23 October 1995 between the Company (as borrower) and the The Sumitomo Bank, Limited (as bank) as the same may from time to time be amended, varied, supplemented or novated.

"Mezzanine Loan" means the loans made to the Company by Prudential Property Investments Limited and SKSP Limited pursuant to the Loan Agreement dated 25 July 1988 as amended from time to time.

"Redeemable Shares" means the 57,993,120 Redeemable Preference Shares of £1 each in the capital of the Company created pursuant to a Special Resolution passed on 30th June 1992.

"Shares" shall have the same meaning as that contained in the Joint Venture Agreement.

2. The Company is a private company. The regulations contained in Table A save insofar as they are excluded or varied hereby, and the regulations hereinafter contained shall constitute the regulations of the Company.
3. Section 89(1) of the Act is hereby excluded.

**GENERAL MEETING**

4. In regulation 38 of Table A, the following shall be substituted for the second paragraph:

"The notice shall specify the time and place of the meeting and, in the case of special business, the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets, and the reports of the directors and auditors, the election of directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors."

In Regulation 38 of Table A, the words "or a resolution appointing a person as a director" shall be deleted.

5. With respect to any such resolution in writing as is referred to in Regulation 53 of Table A:
  - (i) 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;
  - (ii) 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.
6.
  - (1) a proxy shall be entitled to vote on a show of hands and Regulation 54 of Table A shall be modified accordingly.
  - (2) In Regulation 56 of Table A (time for deposit of proxy) the words "not less than 48 hours" and "not less than 24 hours" shall be deemed to be deleted.

#### **TRANSFER OF SHARES**

7. Regulation 24 of Table A is hereby excluded.

#### **PROCEEDINGS AT GENERAL MEETINGS**

8. Regulation 50 of Table A is hereby excluded.

#### **PROCEEDINGS OF DIRECTORS**

9. Notice of meetings of directors shall be given to all directors, whether they are in the United Kingdom or not and Regulation 88 of Table A shall be amended accordingly.
10. The quorum for the transaction of the business of directors shall be three and Regulation 99 of Table A shall be amended accordingly.

#### **ROTATION OF DIRECTORS**

11. The directors shall not be liable to retire by rotation, and accordingly Regulations 73 to 77 (inclusive) and 80 shall not apply to the Company; in Regulation 78 of Table A the words "and may also determine the rotation in which any additional directors are

to retire" shall be deleted; and in Regulation 79 of Table A the second and third sentences thereof shall be deleted.

12. 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 manner shall be deemed to be present in person at such meeting.
13.
  - (1) The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. A director shall only be eligible for such appointment by rotation (hereinafter "an eligible appointee"). Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present, but if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors may appoint one of their number to be the chairman of the meeting. The chairman shall not have a casting vote and Regulation 88 of Table A is hereby excluded.
  - (2) Any chairman of the board appointed pursuant to this regulation shall be required to retire on the date six months from the date of his appointment, whereupon the directors may appoint an eligible appointee to be the chairman of the board of directors. Regulation 91 of Table A shall not apply to the Company.
14. Every director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and 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 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. 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 the Act. Regulation 118 of Table A shall not apply to the Company.
15. The Redeemable Share shall entitle the holders thereof to the respective rights and privileges and subject them to the respective restrictive provisions hereinafter appearing:
  - (i) As regards capital

On a return of capital on liquidation or otherwise the assets of the Company available for distribution among the members shall be applied first in repaying to the holders of the Redeemable Shares in proportion to the number of Redeemable Shares held by them the sum

of £1 per share and secondly the balance of such assets shall belong to and be distributed among the holders of the Shares in proportion to the number of shares held by them.

(ii) As regards income

The holders of the Redeemable Share shall not be entitled to received a dividend.

(iii) As regards redemption of the redeemable Shares

The following provisions shall, subject to the provisions of the Act, have effect with regard to the redemption of the Redeemable Shares:

- (A) Subject to Regulation 15(iii)(B) the Company may at any time redeem all or any of the Redeemable Shares then in issue
- (B) The Company shall redeem the Redeemable Shares as follows:
  - (1) On any occasion when either the holders of the Redeemable Shares request the Company, and the Company consents, or the Company requests of the holders of the Redeemable Shares, and such shareholders so agree provided always that before such redemption can occur, either all the outstanding actual and contingent liabilities of the Company under the Bank Loan and the Mezzanine Loan have been discharged or the consent of all of the parties to whom actual or contingent liabilities remain owing (whether or not due) or capable of becoming owing under either or both of the Bank Loan and the Mezzanine Loan has been obtained.
  - (2) On 31st December 2000, to the extent that Redeemable Shares remain in issue, provided always that before such redemption can occur, either all the outstanding actual and contingent liabilities of the Company under the Bank Loan and the Mezzanine Loan have been discharged or the consent of all parties to whom actual or contingent liabilities remain owing (whether or not due) or capable or becoming owing under either or both of the Bank Loan and the Mezzanine Loan has been obtained.
- (C) Unless all holders of the Redeemable Shares shall agree to the contrary, the Company shall give to each such shareholder whose Redeemable Shares are to be redeemed not less than one months notice in writing of the date fixed for redemption of all or part of his shares (the "Redemption Date") stating the number of his Redeemable Shares due for redemption and naming the place for payment of the redemption monies and for delivery to the Company of the Certificate or Certificates relating thereto.
- (D) On the Redemption Date the Company shall redeem the Redeemable Shares in respect of which such notice has been properly given and the relevant redeemable shareholder shall deliver to the Company at the place named in the

Notice the Certificate or Certificates for their shares and upon such delivery and against the receipt of the shareholder for the redemption monies payable in respect of his shares on the Redemption Date the Company shall pay to the shareholder the redemption monies payable to him in respect of such redemption being the amount specified below.

- (E) The Company shall in the case of a redemption in full cancel the share certificate or certificates of the shareholder concerned and in the case of a redemption of part of the Redeemable Shares included in a certificate or certificates shall cancel the same and without charge issue to the shareholder upon delivery of all certificates to the Company fresh certificates for the balance of the Redeemable Shares not redeemed on that occasion.
  - (F) if any holder of Redeemable Shares whose shares are liable to be redeemed under this Article 15(3) fails or refuses to deliver up the certificate for his Redeemable Shares the Company may retain the redemption monies until delivery of the certificate to the Company (or of an indemnity in respect thereof in a form reasonably satisfactory to the Company but shall within seven days thereafter pay the redemption monies to the shareholder)
  - (G) There shall be paid on each Redeemable Share redeemable the sum of £1 per share.
  - (H) Where the Act permits the Company to redeem none or some only of the Redeemable Shares - which would otherwise fall to be redeemed on a particular date, the Company shall redeem such number of the Redeemable Shares as may lawfully be redeemed on such date and shall redeem, as soon thereafter as it shall be lawfully permitted so to do, the remaining number of the Redeemable Shares which would otherwise have fallen to be redeemed on that date.
  - (I) Any redemption of part only of the Redeemable Shares in issue shall be effected that the number of Redeemable Shares of each holder thereof to be redeemed shall be in the proportion as nearly as may be as the number of Redeemable Shares held by him at the date of issue of the Notice by the Company bears to the total number of Redeemable Shares in issue at that date.
- (iv) As regards voting
- (A) The Redeemable Shares shall not entitle the holders thereof to vote upon any resolution at any general meeting of the Company.
  - (B) The holders of the Redeemable Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the Company.