

The Companies Act 2006

Private company limited by shares

Written resolution

of

Student Castle Limited

8 November 2010 (the "Circulation Date")



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COMPANIES HOUSE

THURSDAY

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of Student Castle Limited (the "Company") propose that the resolution below is passed as a special resolution (the "Special Resolution")

**Special Resolution:**

That the draft articles of association attached to this resolution be and they are adopted by the company in substitution for, and to the exclusion of, its existing articles of association

**Important:**

Please read the notes at the end of this document before signifying your agreement to the Special Resolution.

The undersigned, being all persons entitled to vote on the resolution on the Circulation Date (see Notes 4 and 5), hereby irrevocably agree to the Special Resolution

duly authorised signatory  
for and on behalf of  
Student Castle Investments LLP, sole shareholder

Date 8 November 2010

**Notes**

- 1 If you agree to the resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods
  - By hand (by delivering the signed copy to 70 High Street, Fareham, Hampshire PO16 7BB marked for the attention of "The Directors, Student Castle Limited")
  - By post (by returning the signed copy to 70 High Street, Fareham, Hampshire PO16 7BB marked for the attention of "The Directors, Student Castle Limited")

Please note that return of this document will not be accepted by fax or email

- 2     **The resolution will lapse if sufficient votes in favour of it have not been received by the end of the date which is 28 days after the Circulation Date (the Circulation Date being counted as day one).** Unless you do not wish to vote on the resolution, please ensure that your agreement reaches the Company on or before this date and time. If the Company has not received this document from you by then you will be deemed to have voted against the resolution.
- 3     Once you have signified your agreement to the resolutions such agreement cannot be revoked.
- 4     In the case of joint holders of shares, only the vote of the holder whose name appears first in the register of members of the Company in respect of such joint holding will be counted by the Company to the exclusion of the other joint holder(s).
- 5     If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

# **Articles of Association of**

**Student Castle Limited**

Company number 07119911

(Private company limited by shares)

as adopted by written special resolution passed on 8 November  
2010

## **Osborne Clarke**

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Company number: 07119911

**The Companies Act 2006**

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**Private company limited by shares**

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**Articles of Association**

**of**

**Student Castle Limited**

**(as adopted by written special resolution passed on 8 November 2010)**

**Part 1**

**Interpretation, Limitation of Liability and Other Miscellaneous Provisions**

It is agreed as follows

**1 Defined terms**

**1.1** In these articles, unless the context requires otherwise

**"articles"** means the company's articles of association as altered or varied from time to time (and **"article"** means a provision of the articles)

**"CA2006"** means the Companies Act 2006

**"Companies Law"** means the CA2006 and every other statute, order, regulation, or other subordinate legislation from time to time in force concerning companies and affecting the company

**"conflicted director"** has the meaning set out in article 6.1

**"conflict situation"** has the meaning set out in 6.1

**"eligible director"** means a director who would have been entitled to vote on the matter were it to be proposed as a resolution at a directors' meeting (and thus, for example, excludes any conflicted director whose conflict situation has not been authorised or otherwise permitted under the articles or Companies Law)

**"Model Articles"** means the model articles for private companies limited by shares as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) (and **"Model Article"** means a provision of the Model Articles)

**"Parent"** means Student Castle Investments LLP (registered in England and Wales under number OC352866)

**"Property Scheme Budget"** means a budget and business plan for a property development project undertaken by the company

**"Reserved Matter"** means the acts or matters set out in the Schedule

**"Secured Party"** means any bank, financial institution, trust, fund or other legal or natural person to whom a security interest has been granted over shares in the company by a parent undertaking of the company, or any nominee, receiver or other legal or natural person acting on its behalf

**"transmittee"** means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law

- 1 2 Unless the context otherwise requires (or unless otherwise defined or stated in these articles), words or expressions defined in the Model Articles shall have the same meaning in these articles
- 1 3 Any other words and expressions contained in these articles and/or the Model Articles shall have the same meaning as in the CA2006, whether or not capitalised in these articles, and so for example **"associated company"** shall be construed in accordance with the provisions of Section 256, CA2006, **"electronic form"** shall be construed in accordance with the provisions of Section 1168, CA2006, **"holding company"** and **"subsidiary"** shall be construed in accordance with the provisions of Section 1159, CA2006, **"occupational pension scheme"** shall be construed in accordance with the provisions of Section 235(6), CA2006, and **"parent undertaking"** and **"subsidiary undertaking"** shall be construed in accordance with the provisions of Section 1162, CA2006,
- 1 4 The Model Articles shall apply to the company save insofar as they are excluded or modified by or are inconsistent with these articles, and the Model Articles (except insofar as so excluded, modified or inconsistent) together with these articles shall be the articles of association of the company (to the exclusion of any other regulations set out in any statute, statutory instrument or other subordinate legislation from time to time in force)

## **Part 2**

### **Directors and Secretary**

#### **Directors' powers and responsibilities**

##### **2 Directors' general authority**

For so long as the company is a subsidiary of the Parent the directors shall refrain from taking any action or decision which is a Reserved Matter without a consent given by the Parent (either by written consent or by special resolution, and whether the special resolution is passed as a written resolution or at a general meeting of the shareholders)

#### **Decision-making by Directors**

##### **3 Quorum for directors' meetings**

The quorum for the transaction of the business of the directors shall be

- (a) where at the relevant time there is only one director of the company, that director,
- (b) where at the relevant time there is two or more directors of the company, two eligible directors unless in relation to the meeting (or part of the meeting) the company has only one eligible director when the quorum for such meeting (or the part thereof dealing with the authorisation pursuant to article 6) shall be one eligible director

Model Article 11(2) is modified accordingly

#### 4 **Alternate directors**

- 4 1 Any director (the "**appointor**") may appoint as an alternate any other director, who is willing to act to exercise that director's powers and carry out that director's responsibilities in relation to the taking of decisions by the directors in the absence of the alternate's appointor. A director may be appointed as an alternate by more than one appointor. The appointment ends on the death of the appointor, on the appointor giving notice to the company revoking the appointment or on the appointor ceasing to be a director for any reason.
- 4 2 A director who is also an alternate for one or more directors is entitled, in the absence of the relevant appointor, to a separate vote on behalf of each appointor in addition to his own vote on any decision of the directors (provided the relevant appointor is an eligible director in relation to that decision) but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 4 3 An interest of the appointor shall not be treated as an interest of the alternate (but this shall not authorise an alternate to vote on behalf of his appointor if his appointor is not an eligible director) and where an alternate is not an eligible director he shall remain ineligible notwithstanding he is an alternate for another director.

#### 5 **Casting vote**

If, at a meeting of the directors, the numbers of votes for and against a proposal are equal, the chairman shall not have a casting vote. Model Article 13 is modified accordingly.

#### 6 **Authorisation of conflicts of interest**

- 6 1 Subject to and in accordance with the CA2006

- (a) the directors may authorise any matter or situation in which a director (the "**conflicted director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the company could take advantage of it) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties (the "**conflict situation**"),
- (b) any authorisation given in accordance with this article 6 may be made on such terms and subject to such conditions and/or limitations as the directors may, in their absolute discretion, determine (including, without limitation, excluding the conflicted director and any other interested director from certain directors' meetings, withholding from him or them certain board or other papers and/or denying him or them access to certain confidential company information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated, and
- (c) in considering any request for authorisation in respect of a conflict situation, the directors shall be entitled to exclude the conflicted director from any meeting or other discussion (whether oral or written) concerning the authorisation of such conflict situation and they shall also be entitled to withhold from such conflicted director any board papers or other papers concerning the authorisation of such conflict situation.

- 6 2 If any conflict situation is authorised or otherwise permitted under the articles, the conflicted director (for as long as he reasonably believes such conflict situation subsists)

- (a) shall not be required to disclose to the company (including the directors or any committee) any confidential information relating to such conflict situation which he obtains or has obtained otherwise than in his capacity as a director of the company, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person in relation to such matter, office, employment or position,

- (b) shall be entitled to attend or absent himself from all or any meetings of the directors (or any committee) at which anything relating to such conflict situation will or may be discussed, and
- (c) shall be entitled to make such arrangements as he thinks fit to receive or not to receive documents or information (including, without limitation, directors' papers (or those of any committee of the directors)) relating to any such conflict situation and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such conflicted director shall not be in breach of any general duty he owes to the company pursuant to Sections 171 to 177 (inclusive), CA2006 and the provisions of this article 6 shall be without prejudice to any equitable principle or rule of law which may excuse the conflicted director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under the articles

- 6 3 For the purposes of this article 6, an interest of a person who is, for any purpose of the CA2006 (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director. In relation to an alternate director, an interest of his appointor shall not be treated as an interest of the alternate director (but this shall not authorise an alternate director to vote on behalf of his appointor if his appointor is not an eligible director) and where an alternate director is not an eligible director by reason of a conflict situation he shall remain ineligible notwithstanding he is an alternate for another director

## **7 Directors may have interests and vote and count for quorum**

- 7 1 Provided permitted by Companies Law, and provided he has disclosed to the other directors the nature and extent of his interest pursuant to Section 177 or 182, CA2006 or otherwise pursuant to the articles (as the case may be), a director, notwithstanding his office

- (a) may be a party to, or otherwise directly or indirectly interested in any contract, arrangement, transaction or proposal with the company or in which the company is otherwise interested and may hold any other office or position of profit under the company (except that of auditor or of auditor of a subsidiary of the company) in addition to the office of director and may act by himself or through his firm in a professional capacity for the company and in any such case on such terms as to remuneration and otherwise as the directors may arrange either in addition to or in lieu of any remuneration provided for by any other article,
- (b) may be a shareholder, director or other officer of, or employed by, or hold any other office or position with, or be directly or indirectly interested in any contract, arrangement, transaction or proposal with or a party to or otherwise directly or indirectly interested in, any subsidiary and subsidiary undertaking of the company or any parent undertaking of the company and any of such parent undertaking's subsidiaries or subsidiary undertakings or any other body corporate promoted by the company or in which the company is otherwise interested,
- (c) shall not, by reason of his office, be liable to account to the company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from
  - (i) any matter, office, employment or position which relates to a conflict situation authorised in accordance with article 6, or
  - (ii) any office, employment, contract, arrangement, transaction or proposal or other interest permitted pursuant to sub-articles (a) and (b) of this article,

and no contract, arrangement, transaction or proposal shall be avoided on the grounds of any director having any such interest or receiving any such dividend, profit, remuneration,



superannuation, payment or other benefit authorised in accordance with article 6 or permitted pursuant to sub-articles (a) and (b) of this article and the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176, CA2006

- 7 2 For the avoidance of doubt, a director may be or become subject to one or more conflict situations as a result of any matter referred to in sub-article (b) of article 7 1 without requiring authorisation under the provisions of article 6 provided he has declared, as soon as reasonably practicable, the nature and extent of his interest in the conflict situation. The provisions of Section 177(2), Section 177(3), Section 177(5), Section 177(6), Section 184 and Section 185, CA2006 shall be applied (with any necessary modifications) in respect of any such declaration.
- 7 3 Subject to Section 175(6), CA2006 and save as otherwise provided in the articles, a director may vote at any meeting of the directors or any meeting of any committee of which he is a member on any resolution and a director may participate in the transaction of the business of the directors and count in the quorum at any such meeting of the directors or meeting of any committee of which he is a member notwithstanding that it concerns or relates in any way to a matter in which he has directly or indirectly any kind of interest or duty. This article does not affect any obligation of a director to disclose any such interest, whether pursuant to Section 177, CA2006, Section 182, CA2006 or otherwise.
- 7 4 Subject to article 7 5, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive (except in a case where the nature or extent of any interest of the director has not been fairly disclosed).
- 7 5 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 7 6 For the purposes of this article 7, an interest of a person who is, for any purpose of the CA2006 (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director. In relation to an alternate director, an interest of his appointor shall not be treated as an interest of the alternate director (but this shall not authorise an alternate director to vote on behalf of his appointor if his appointor is not an eligible director) and where an alternate director is not an eligible director he shall remain ineligible notwithstanding he is an alternate for another director.
- 7 7 Model Article 14 shall be excluded from applying to the company.

### **Part 3**

## **Shares and Distributions**

### **Shares**

#### **8 Exclusion of statutory pre-emption provisions**

The directors may exercise any power of the company to allot equity securities in the company as if the requirements of section 561 of CA2006 (existing shareholders' right of pre-emption) did not apply to the allotment.

**9 Transfers of Shares by or to a parent undertaking or which are the subject of a security interest**

9 1 Notwithstanding anything contained in these articles, the company and the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer

- (a) is by or to a parent undertaking of the company, or
- (b) is to a Secured Party, or
- (c) is delivered to the company for registration by a Secured Party in order to perfect its security over the shares, or
- (d) is executed by a Secured Party pursuant to the power of sale or otherwise under such security,

Model Article 26(5) is modified accordingly

9 2 Notwithstanding anything to the contrary contained in these articles no transferor of any shares or proposed transferor of shares by or to a parent undertaking, no transferor of any shares or proposed transferor of shares to a Secured Party, and no Secured Party transferring any shares or proposing to transfer any shares, shall be required to offer such shares to the shareholders for the time being in the company or any of them, and no shareholder shall have any right under these articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not

9 3 Notwithstanding anything to the contrary contained in these articles, the company and the directors shall not be entitled to exercise any lien which the company has in respect of shares held by a Secured Party or being transferred as described in articles 9 1 or 9 2

**Part 4**

**Decision-making by Shareholders**

**Organisation of General Meetings**

**10 Delivery of proxy notices**

10 1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed (or a copy of such authority certified by a solicitor or some other person approved by the directors) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the directors may specify) in electronic form

- (a) to the registered office of the company, or
- (b) to such other address (including electronic address) as is specified in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the company in relation to the meeting, or
- (c) as the directors shall otherwise direct,

to be received 24 hours before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

10 2 Any instrument of proxy not so sent or supplied or received shall be invalid unless the directors at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been

compliance with the provisions of this article and such proxy shall thereupon be valid notwithstanding such default

## **Part 5**

### **Administrative Arrangements**

#### **11 Exercise of members' rights**

No shareholder in the company shall be entitled to nominate another person or persons to enjoy or exercise all or any specified rights of the shareholder in relation to the company pursuant to Section 145, CA2006. Accordingly, the company shall not be obliged to give effect to any purported nomination notice received by it

### **Directors' Indemnity, Funds and Insurance**

#### **12 Indemnity and Funds**

12.1 Subject to article 12.2 (but otherwise to the fullest extent permitted by law) and without prejudice to any indemnity to which he may otherwise be entitled

(a) any director, former director, secretary or other officer (other than any person engaged as auditor) of the company or an associated company may, at the discretion of the directors, be indemnified out of the company's assets against all or any part of any costs, charges, losses, expenses and liabilities incurred by that director, secretary or other officer

(i) in the actual or purported exercise of his powers in relation to the affairs of the company or associated company, and

(ii) in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme, and

(b) any director, former director, secretary or other officer (other than any person engaged as auditor) of the company or any holding company may, at the discretion of the directors, be provided with funds to meet any expenditure incurred or to be incurred by him as provided in Section 205 and/or Section 206, CA2006 (or enable him to avoid incurring any such expenditure)

12.2 This article does not authorise any indemnity or provision of funds which would be prohibited or rendered void by Companies Law

12.3 Model Article 52 shall be excluded from applying to the company

#### **13 Insurance**

Subject to the provisions of the CA2006, the directors may in their absolute discretion decide to purchase and maintain insurance, at the expense of the company, for the benefit of any director, former director, secretary or other officer (other than any person engaged as auditor) of the company or associated company in respect of all or any part of any relevant loss. Model Article 53 shall be excluded from applying to the company

**The Schedule**  
**(Reserved Matters)**

**14 Reserved matters**

The Reserved Matters are

*Accounting*

- (a) changing the auditors,
- (b) changing the accounting reference date of the company,
- (c) altering the accounting policies and practices of the company other than to follow international or UK accounting practices to comply with new standards,

*Acquisitions and sales*

- (d) the entry into any partnership or joint venture arrangement,
- (e) the entry into any construction contract,
- (f) acquiring any shares in a company or other entity (whether or not the same becomes a subsidiary undertaking), any other interest in a company or other entity, any interest in any land or buildings (but this provision shall not apply to the incorporation of a company or other entity as a wholly-owned subsidiary undertaking of the company, or the acquisition of all of the shares in a company or other entity which has not traded and which was incorporated to become a wholly-owned subsidiary undertaking of the company),
- (g) selling or otherwise disposing of or alienating any shares any other interest in a company or other entity (whether or not the same is a subsidiary undertaking), any interest in any land or buildings or other assets (other than those sold or disposed of which are being replaced or as expressly provided for in the Property Scheme Budget,
- (h) granting any security of any nature over any shares or other interest in a company or other entity (whether or not the same is a subsidiary undertaking) or any interest in any land or buildings,
- (i) incurring capital expenditure or assets in excess of £10,000, other than as expressly provided for in the Property Scheme Budget,

*Borrowing, loans, guarantees, charges, donations*

- (j) the borrowing of money other than from the Parent or any subsidiary undertaking of the Parent,
- (k) giving credit or making loans other than in the ordinary course of business, to employees in excess of £1,000 or any entity or person other than the Parent or any subsidiary undertaking of the Parent,
- (l) the guaranteeing of any obligation or liability which is not that of the Parent or any subsidiary undertaking of the Parent,

*Budget and business plan*

- (m) approval of a Property Scheme Budget,

#### *Delegation*

- (n) the delegation of directors' powers to any committee except where the quorum and voting rights and restrictions on decisions are the same as for a meeting of the directors,

#### *Constitution and shares*

- (o) any change to the constitution of the company,
- (p) the issue of shares or the grant of any rights to a person which entitle him to be issued with shares or to share in the profits of the company,
- (q) the declaration or payment of any interim or final dividend or other distribution,

#### *Operation of the business*

- (r) a material change in the nature of the company's business,
- (s) the entry into any contract, commitment or arrangement outside the ordinary and normal course of trading or otherwise than at arms' length, or which is of an unusual or onerous nature,
- (t) the commencement and subsequent conduct or the settlement of any litigation or arbitration or mediation proceedings, except relating to debt collection in the ordinary and normal course of trading or applications for an interim injunction or other urgent application where it is not reasonably practical to obtain the requisite consent,
- (u) undertaking any action inconsistent with the Property Scheme Budget,

#### *Staff*

- (v) engaging or dismissing directors or employees with remuneration in excess of £30,000 unless contained in the Property Scheme Budget,
- (w) increasing the remuneration or making significant changes to the terms of service of directors or employees with remuneration in excess of £30,000 unless contained in the Property Scheme Budget,
- (x) establishing any pension, retirement, death or disability or life assurance scheme, or any employees' share scheme or employee trust or share ownership plan, share option or shadow share option scheme, or other profit sharing, bonus or incentive scheme for any of the directors, employees or former directors or employees or their dependants, or making any significant alteration to any such current scheme, trust or plan, other than as envisaged in the Property Scheme Budget, or

#### *Termination*

- (y) (except where required to do so by the law, and such shall be deemed to be the case in the circumstance where, not to do such an act, is likely to result in personal liability of a director or other officer such as for example, under section 214 Insolvency Act 1986) taking any steps to wind up or dissolve the company, obtain an administration order, appoint a receiver or receiver and manager of the whole or any part of the business or assets of the company or make a proposal for a voluntary arrangement or compromise with creditors