

DATED 16 November 2022

CHIVENOR CROSS MANAGEMENT COMPANY
(COMMERCIAL) LIMITED
(company number 09730801)

ARTICLES OF ASSOCIATION

adopted on ¹ 2022
16 November

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Company number: 09730801

PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
CHIVENOR CROSS MANAGEMENT COMPANY (COMMERCIAL) LIMITED
(adopted by special resolution passed on 16 November 2022)

1. DEFINITIONS AND INTERPRETATION

1.1 In these Articles the following definitions will apply:

Act

the Companies Act 2006;

Adoption Date

the date of the adoption of these Articles by the Company;

Business Day

any day (other than a Saturday, Sunday or public holiday) during which banks in London are open for normal business;

Developer

St Francis Group (Chivenor) Limited (Company Number 07998701);

Director

a duly appointed director of the Company for the time being;

Eligible Director

a Director who would be entitled to vote on a matter at a meeting of the Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter) and references to "eligible directors" in article 8 of the Model Articles shall be construed accordingly;

Encumbrance

any mortgage, charge (fixed or floating), pledge, lien, option, hypothecation, restriction, right to acquire, right of pre-emption or interest (legal or equitable) including any assignment by way of security, reservation of title, guarantee, trust, right of set off or other third party right or any other encumbrance or security interest having a similar effect howsoever arising;

Estate

the land and buildings known as Chivenor Cross, Chivenor, Barnstaple EX31 4BN together with such other land as may be designated as part of the Estate from time to time;

Gross Acre

the gross acreage of a Unit on the Estate;

Last Unit

the last of the Units in respect of which the Developer sells the freehold to a Unit Holder;

Last Unit Holder

the person to whom the Developer sells the freehold of the Last Unit;

Member

a registered holder of an issued Share from time to time, as recorded in the register of members of the Company;

Model Articles

the model articles for private companies limited by shares contained in schedule 1 of the Companies (Model Articles) Regulations 2008 as amended prior to, and in force as at, the Adoption Date;

Ordinary Share

an ordinary share of £1 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

Relevant Security

any Share, or any right to subscribe for or convert any security into any Share;

Services

the Services as set out in the Service Charge Deed;

Service Charge Deed

the Service Charge Deed entered into on or around the Adoption Date;

Share

any share in the capital of the Company for the time being;

Special Share

a special share of £1 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

Unit

any part of a plot or building on the Estate which benefits or is intended to benefit from the Services and Units shall be construed accordingly; and

Unit Holder

a person to whom a Unit has been sold and so that whenever two or more persons are for the time being Unit Holders of the same Unit they shall for all purposes of these Articles be deemed to constitute one Unit Holder.

1.2 These Articles and the provisions of the Model Articles (subject to any modifications set out in these Articles) shall constitute all the articles of association of the Company.

1.3 In these Articles a reference to:

1.3.1 a statutory provision includes a reference to the statutory provision as replaced, modified or re-enacted from time to time before or after the Adoption Date and any subordinate legislation made under the statutory provision before or after the Adoption Date;

1.3.2 a "subsidiary" shall include a reference to a "subsidiary" and a "subsidiary undertaking" (each as defined in the Act) and a reference to a "holding company" shall include a reference to a "holding company" and a "parent undertaking" (each as defined in the Act);

1.3.3 writing includes any mode of reproducing words in a legible and non-transitory form other than email;

1.3.4 a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists); and

1.3.5 "these Articles" is to these articles of association (including the provisions of the Model Articles incorporated in them), and a reference to an article is to an article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Act.

- 1.4 The contents table and headings in these Articles are for convenience only and do not affect the interpretation or construction of these Articles.
- 1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.
- 1.6 The words "other", "include", "including" and "in particular" do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.
- 1.7 These Articles shall be binding on and shall survive for the benefit of the personal representatives and successors-in-title of each Member.

2. VOTING

2.1 Prior to the redesignation of the Special Share

Until the Special Share is redesignated in accordance with article 5.2.1:

- 2.1.1 the holder for the time being of the Special Share shall be entitled to receive notice of, and to attend, speak and vote at, any general meeting of the Company and shall be an eligible member in respect of any written resolution of the Company; and
- 2.1.2 a holder for the time being of an Ordinary Share shall not be entitled in respect of such Ordinary Share to receive notice of, or to attend, speak or vote at, any general meeting of the Company and shall not be an eligible member in respect of any written resolution of the Company.

2.2 After the redesignation of the Special Share

- 2.2.1 Immediately upon the redesignation of the Special Share in accordance with article 5.2.1, a holder for the time being of an Ordinary Share shall be entitled to receive notice of, and to attend, speak and vote (in accordance with the weighted voting rights set out in 2.2.2) at, any general meeting of the Company and shall be an eligible member in respect of any written resolution of the Company.
- 2.2.2 Subject to article 2.2.1 at any general meeting of the Company on a show of hands, on a poll or on any written resolution every holder of an Ordinary Share who (being an individual) is present in person or by proxy, or (being a corporation) by a representative duly authorised under section 323 of the Act shall have 1000 votes for every Gross Acre held by the relevant Unit Holder. For example and for illustrative purposes only:

If a Member is a Unit Holder who owns a Unit which is 2.413 Gross Acres that Member shall have 2,413 votes for 1 Ordinary Share.
- 2.2.3 The total amount of votes in the Company shall be equal to the total amount of Gross Acres for all the Units in the Estate.
- 2.2.4 Where a Unit is held jointly by two or more persons, the vote in respect of that Unit shall be exercisable by the Member whose name appears first in the register of members of the Company.

3. DIVIDENDS

No part of the income and property for the time being of the Company shall be paid or transferred, directly or indirectly, by way of dividend, bonus or other distribution to the Members of the Company. Articles 30 to 36 of the Model Articles shall not apply to the Company.

4. ISSUE OF SHARES

- 4.1 Subject to articles 4.2 to 4.4, the Directors are generally and unconditionally authorised for the purposes of section 551 of the Act to exercise any power of the Company to allot Relevant Securities. The authority granted under this article 4.1 shall:
 - 4.1.1 be limited to a maximum amount in nominal value of £100;

- 4.1.2 only apply in so far as it is not renewed, waived or revoked by ordinary resolution of the Members; and
- 4.1.3 expire on the day immediately preceding the fifth anniversary of the Adoption Date, provided that the Directors may allot Relevant Securities after the expiry of such period in pursuance of an offer or agreement to do so made by the Company within such period.
- 4.2 Subject to article 4.3, the Directors may allot, grant or otherwise dispose of Relevant Securities to such persons at such times and generally on such terms and conditions as they think fit in their absolute discretion, provided that no Share shall be issued at a discount.
- 4.3 Shares in the Company shall only be issued:
 - 4.3.1 fully paid; and
 - 4.3.2 to a Unit Holder.
- 4.4 Each Unit Holder shall only be entitled to be issued 1 Ordinary Share per Unit.
- 4.5 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company.
- 5. **ISSUE AND ALLOTMENT OF ORDINARY SHARES TO UNIT HOLDERS**
- 5.1 Upon a Unit being sold to a Unit Holder, the holder of the Special Share shall issue and allot, or (as the holder of the Special Share may determine in its absolute discretion) procure the issue and allotment of, one Ordinary Share to the relevant Unit Holder.
- 5.2 Upon a sale of the Last Unit to the Last Unit Holder:
 - 5.2.1 the Special Share shall immediately and automatically (without resolution of the Members or Directors) be redesignated as an Ordinary Share and, for the avoidance of doubt, the rights attached to the Special Share pursuant to these Articles shall automatically cease; and
 - 5.2.2 the holder of the Special Share shall transfer the Ordinary Share arising on the redesignation of the Special Share pursuant to article 5.2.1 to the Last Unit Holder.
- 6. **TRANSFER OF SHARES**
- 6.1 The Special Share may be transferred at any time to any person.
- 6.2 If any Unit Holder assigns or otherwise disposes of his interest in a Unit he shall immediately transfer the Ordinary Share in respect of that Unit to the person acquiring the interest in that Unit.
- 6.3 A Unit Holder shall not transfer, dispose, charge or otherwise deal in any way with an Ordinary Share, or any interest in an Ordinary Share, other than in accordance with article 6.2.
- 6.4 On any transfer of an Ordinary Share pursuant to article 6.2:
 - 6.4.1 the price to be paid on such transfer shall, unless the transferor and transferee otherwise agree, be the nominal value of the relevant Ordinary Share; and
 - 6.4.2 the entire legal and beneficial interest in the Ordinary Share shall be transferred free from any Encumbrance.
- 6.5 If any Unit Holder (in this article 6.5, the **Seller**) shall fail for any reason to transfer any Ordinary Share held by him as required by article 6.2:
 - 6.5.1 the Directors may authorise any Director to execute the necessary transfer of any such Ordinary Share on the Seller's behalf and to deliver that transfer to the required transferee (in this article 6.5, the **Buyer**);
 - 6.5.2 the Company may receive the purchase money from a Buyer on behalf of the Seller and shall then, subject to due stamping (if relevant), enter the name of that Buyer in the register of members of the Company as the holder of the Ordinary Share transferred to him;

- 6.5.3 the receipt of the Company for the purchase money shall constitute a good discharge to the Buyer (who shall not be bound to see to the application of it);
 - 6.5.4 after the Buyer has been registered in purported exercise of the power conferred by this article 6.5 the validity of the proceedings shall not be questioned by any person; and
 - 6.5.5 the Company shall hold the relevant purchase money on trust for the Seller (but without interest) and the Company shall not pay such money to the Seller until he has delivered to the Company the share certificate(s) in respect of the relevant Ordinary Share (or a suitable indemnity in a form reasonably satisfactory to the Directors).
- 6.6 Notwithstanding any other provision of these Articles, no transfer of any Ordinary Share (or any interest in any Ordinary Share) shall be made, and the Directors shall not register any such transfer, in either case:
- 6.6.1 if it is to a minor, undischarged bankrupt, trustee in bankruptcy (other than in accordance with article 6.9) or person who (in the opinion of the Directors) lacks capacity; or
 - 6.6.2 unless the transfer is made in accordance with these Articles.
- 6.7 Subject to article 6.8, the Directors may only refuse to register a transfer of Shares which is made in accordance with article 6.1 or 6.2 if:
- 6.7.1 the transfer has not been lodged at the Company's registered office (or such other place as the Directors may nominate for this purpose);
 - 6.7.2 the transfer is not accompanied by the certificate for the Shares (or an indemnity for a lost, stolen or damaged certificate in such form as is reasonably required by the Directors) to which it relates and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer;
 - 6.7.3 the transfer is in favour of more than four transferees; or
 - 6.7.4 the transfer has not been properly stamped or certified as being not liable to stamp duty.
- In all other cases, the Directors must register such a transfer of Shares. Article 26(5) of the Model Articles shall not apply to the Company.
- 6.8 For the purposes of ensuring that a transfer of any Share is in accordance with these Articles the Directors may from time to time require any Member to provide, or to procure that any person named as the transferee in any transfer lodged for registration or any other person whom the Directors reasonably believe to have information relevant to such purpose provides, such information and evidence as the Directors may reasonably require for such purpose. Pending such information or evidence being provided, the Directors are entitled to refuse to register any relevant transfer of Shares.
- 6.9 If a Member shall die or be made bankrupt, his legal personal representatives or trustee in bankruptcy (as the case may be) shall be entitled to be registered as a Member of the Company provided, he or they shall for the time being be the Unit Holder of the Unit formerly held by such deceased or bankrupt Member. Subject as provided in this article 6.9, if the deceased or bankrupt Member was a joint holder of a Share his legal personal representatives or trustee in bankruptcy (as the case may be) shall be entitled to be registered as the holder of the same interest in such Share as was formerly held by the deceased or bankrupt Member.
7. **FORFEITURE OF ORDINARY SHARES**
- 7.1 If the freehold held by a Member in respect of a Unit (the **Forfeited Unit**) is sold or otherwise determined, the Directors may resolve at any time thereafter to forfeit the Ordinary Share held by that Member in respect of that Forfeited Unit.
- 7.2 The forfeiture of any Ordinary Share in accordance with article 7.1 extinguishes:

- 7.2.1 all interests in that Ordinary Share and all claims and demands against the Company in respect of it; and
- 7.2.2 all other rights and liabilities incidental to the Ordinary Share as between the person whose Ordinary Share it was prior to the forfeiture and the Company.
- 7.3 Any Ordinary Share which is forfeited in accordance with article 7.1:
 - 7.3.1 is deemed to have been forfeited when the Directors decide that it is forfeited;
 - 7.3.2 is deemed to be the property of the Company; and
 - 7.3.3 may, subject to article 7.5, be sold, re-allotted, transferred or otherwise disposed of as the Directors think fit.
- 7.4 If a person's Ordinary Share has been forfeited:
 - 7.4.1 the Company must send that person notice that forfeiture has occurred and record it in the register of members;
 - 7.4.2 that person ceases to be a Member in respect of that Ordinary Share;
 - 7.4.3 that person must surrender the certificate for the forfeited Ordinary Share to the Company for cancellation;
 - 7.4.4 that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of that Ordinary Share, including any interest (whether accrued before or after the date of forfeiture); and
 - 7.4.5 the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Ordinary Share at the time of forfeiture or for any consideration received on their disposal.
- 7.5 Upon completion of a transfer of a Forfeited Unit and a new proprietor being registered, the Ordinary Share forfeited in accordance with article 7.1 shall be re-allotted or transferred to the registered proprietor.
- 7.6 If a forfeited Ordinary Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer (being the nominal value of the Ordinary Share) and the Directors may authorise any person to execute the instrument of transfer.
- 7.7 A statutory declaration by a Director that the declarant is a Director and that an Ordinary Share has been forfeited on a specified date:
 - 7.7.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Ordinary Share; and
 - 7.7.2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Ordinary Share.
- 7.8 A person to whom a forfeited Ordinary Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Ordinary Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Ordinary Share.
- 8. **GENERAL MEETINGS**
- 8.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. Subject to article 8.2 two Members, present either in person, by proxy or by a duly appointed corporate representative, shall be a quorum.
- 8.2 Until the Special Share is automatically redesignated as an Ordinary Share in accordance with article 5.2.1 the holder of the Special Share, being present either in person, by proxy or by a duly appointed corporate representative, shall be a quorum.
- 8.3 Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that article: "If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the meeting shall be dissolved".
- 8.4 A poll may be demanded at any general meeting by:

8.4.1 the chairman; or

8.4.2 any Member present (in person, by proxy or by a duly appointed corporate representative) and entitled to vote on the relevant resolution.

Article 44(2) of the Model Articles shall not apply to the Company.

8.5 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that article: "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made."

8.6 Article 45(1) of the Model Articles shall be amended as follows:

8.6.1 by the deletion of the words in Article 45(1)(d) and the insertion in their place of the following: "is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate."; and

8.6.2 by the insertion of the following as a new paragraph at the end of Article 45(1): "and 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."

8.7 The Company shall not be required to give notice of a general meeting to a Member:

8.7.1 whose registered address is outside the United Kingdom unless he has provided an address for service within the United Kingdom; or

8.7.2 for whom the Company no longer has a valid United Kingdom address.

9. APPOINTMENT AND REMOVAL OF DIRECTORS

9.1 Prior to the redesignation of the Special Share

9.1.1 The provisions of this article 9.1 shall apply until, and shall automatically terminate upon, the redesignation of the Special Share in accordance with article 5.2.1.

9.1.2 The holder for the time being of the Special Share may:

(a) appoint a person who is willing to act as a Director, either to fill a vacancy or as an additional Director; and

(b) remove a Director from office.

Article 17 of the Model Articles shall not apply to the Company.

9.1.3 Any appointment or removal pursuant to article 9.1.2 shall be made by notice in writing to the Company signed by or on behalf of the holder for the time being of the Special Share. Such notice must be left at or sent by post to the registered office of the Company (or another address nominated by the Directors for this purpose) and the appointment or removal (as the case may be) shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.

9.1.4 For the avoidance of doubt, a Director appointed by the holder of the Special Share pursuant to article 9.1.2 need not be a Member.

9.1.5 The office of a Director appointed pursuant to article 9.1.2 shall automatically be vacated, and the Director in question shall be deemed to have resigned, upon the redesignation of the Special Share in accordance with article 5.2.1.

9.1.6 Immediately prior to the redesignation of the Special Share in accordance with article 5.2.1 the holder of the Special Share may appoint as a Director at least one person who is willing to act and who satisfies the conditions set out in article 9.2.3. Any such appointment shall be made in accordance with article 9.1.3 and, for the avoidance of doubt, the Director(s) appointed pursuant to this article 9.1.6

shall continue to hold office notwithstanding the redesignation of the Special Share in accordance with article 5.2.1.

- 9.1.7 No person shall be appointed or (subject as provided in section 168 CA2006) removed as a Director other than in accordance with articles 9.1.2 and 9.1.6.

9.2 After the redesignation of the Special Share

- 9.2.1 The provisions of this article 9.2 shall only apply upon and with effect from the redesignation of the Special Share in accordance with article 5.2.1.

- 9.2.2 Subject to article 9.2.3, each Unit Holder shall be entitled to nominate and appoint one person who is willing to act as a Director, either to fill a vacancy or as an additional Director, by:

- (a) ordinary resolution of the Company; or
- (b) by a decision of the Directors.

Article 17 of the Model Articles shall not apply to the Company.

- 9.2.3 No person shall be appointed as a Director unless:

- (a) he is also a Member (or a duly appointed officer of a corporate Member); and
- (b) if he is the joint holder of a Share, none of the other joint holders of such Share has been appointed as a Director. Any conflict between the joint holders of a Share as to which of them shall be appointed as a Director shall be determined by the order in which their names appear on the register of Members with the name of the Member appearing first in that register taking precedence.

- 9.2.4 The office of a Director shall automatically be vacated upon:

- (a) that Director ceasing to be a Member or the corporate Member of which that Director is a duly appointed officer ceasing to be a Member as the case may be (unless that Director becomes, or continues to be, a Member in his own right); or
- (b) that Director ceasing to be a duly appointed officer of a corporate Member (unless that Director becomes, or continues to be, a Member in his own right).

- 9.2.5 In any case where, as a result of death or bankruptcy, the Company has no Members and no Directors, the transmittee(s) of the last Member to have died or to have a bankruptcy order made against him (as the case may be) has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a Director. Article 27(3) of the Model Articles shall be modified accordingly.

10. ALTERNATE DIRECTORS

- 10.1 Subject to article 10.2, any Director (in this article 10, an **appointor**) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

- 10.1.1 exercise that director's powers; and
- 10.1.2 carry out that director's responsibilities,

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

- 10.2 The appointment of an alternate director by a Director appointed by the holder for the time being of the Special Share pursuant to article 9.1.2 shall not be subject to approval by resolution of the Directors.

- 10.3 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.

- 10.4 The notice must:

- 10.4.1 identify the proposed alternate; and
- 10.4.2 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.
- 10.5 An alternate Director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.
- 10.6 Save as provided otherwise in these Articles, alternate Directors:
 - 10.6.1 are deemed for all purposes to be Directors;
 - 10.6.2 are liable for their own acts and omissions;
 - 10.6.3 are subject to the same restrictions as their appointors; and
 - 10.6.4 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 of all meetings of committees of Directors of which his appointor is a member.
- 10.7 A person who is an alternate Director but not a Director:
 - 10.7.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
 - 10.7.2 may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision and does not himself participate); and
 - 10.7.3 shall not be counted as more than one Director for the purposes of articles 10.7.1 and 10.7.2.
- 10.8 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his 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.
- 10.9 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the remuneration of the alternate's appointor as the appointor may direct by notice in writing to the Company. An alternate Director shall be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.
- 10.10 The appointment of an alternate Director terminates:
 - 10.10.1 when the alternate's appointor revokes the appointment by notice in writing to the Company specifying when it is to terminate;
 - 10.10.2 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;
 - 10.10.3 on the death of the alternate's appointor;
 - 10.10.4 when the appointment of the alternate's appointor as a Director terminates; or
 - 10.10.5 when written notice from the alternate, resigning his office, is received by the Company.

11. PROCEEDINGS OF DIRECTORS

- 11.1 Save where the Company has a sole Director, two Eligible Directors, present either in person or by a duly appointed alternate, shall be a quorum. For the purpose of any meeting held to authorise a director's conflict of interest under article 13 if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director. Article 11(2) of the Model Articles shall not apply to the Company and, for the avoidance of doubt, neither this article 11.1 nor any other provision of these Articles shall be treated as a provision requiring the Company to have more than one Director.

- 11.2 If the number of votes for and against a proposal at a Directors' meeting are equal the chairman or other Director chairing the meeting shall not have a casting vote. Article 13 of the Model Articles shall not apply to the Company.

12. **TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

- 12.1 Subject to sections 177 and 182 of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company:

- 12.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 12.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which he is interested;
- 12.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which he is interested;
- 12.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
- 12.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 12.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

- 12.2 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company.

13. **DIRECTORS' CONFLICTS OF INTEREST**

- 13.1 The Directors may, in accordance with the requirements set out in this article 13, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid situations which conflict or possibly may conflict with the interests of the Company (a **Conflict**).

- 13.2 Any authorisation under this article will be effective only if:

- 13.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
- 13.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and
- 13.2.3 the matter was agreed to without the Director in question or would have been agreed to if his vote had not been counted.

- 13.3 Any authorisation of a Conflict under this article 13 shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded) and may, whether at the time of giving the authorisation or subsequently:

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

- 13.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and
- 13.3.3 be terminated or varied by the Directors at any time.
- This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 13.4 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- 13.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
- 13.4.2 use or apply any such information in performing his duties as a Director, where to do so would amount to a breach of that confidence.
- 13.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide that the Director:
- 13.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
- 13.5.2 is not given any documents or other information relating to the Conflict; and
- 13.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 13.6 Where the Directors authorise a Conflict:
- 13.6.1 the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
- 13.6.2 the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.
- 13.7 A Director may, notwithstanding his office, be a director or other officer of, or employed by or otherwise interested in, the Developer or the holder of the Special Share (or any company which is for the time being a subsidiary or holding company of the Developer or the holder of the Special Share or another subsidiary of any such holding company) and no authorisation under article 13.1 shall be necessary in respect of such interest.
- 13.8 Any Director appointed pursuant to article 9.1.2 shall be entitled from time to time to disclose to the Developer or the holder of the Special Share (or any company which is for the time being a subsidiary or holding company of the Developer or the holder of the Special Share or another subsidiary of any such holding company) such information concerning the business and affairs of the Company as he may, in his absolute discretion, see fit.
- 13.9 A Director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
14. **SECRETARY**
- The Directors may appoint any person who is willing to act as the Secretary of the Company for such term, on such remuneration and on such conditions as they may think fit and may from time to time remove or replace such person.

15. **SERVICE OF DOCUMENTS**

15.1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient:

- 15.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
- 15.1.2 if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;
- 15.1.3 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 15.1.4 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- 15.1.5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article 15.1, no account shall be taken of any part of a day that is not a working day.

15.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

16. **INDEMNITY**

16.1 Subject to article 16.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- 16.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any associated company); and
- 16.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 16.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

16.2 This article 16 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.

16.3 In this article 16 and in article 17:

- 16.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- 16.3.2 a "**relevant officer**" means any director or other officer or former director or other officer of the Company or any associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or any associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

16.4 Article 52 of the Model Articles shall not apply to the Company.

17. **INSURANCE**

17.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by that relevant officer in connection with his duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.

17.2 Article 53 of the Model Articles shall not apply to the Company.

18. **PURCHASE OF OWN SHARES OUT OF CASH**

In accordance with section 692(1) of the Act the Company may purchase its own shares with cash up to an amount not exceeding £15,000 or the value of 5% of its share capital (whichever is the lower) in each financial year.