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Registered no. 13412400

The Companies Act 2006

A private company limited by shares

Articles of Association

of

1-7 Upper Street Limited

**(adopted by a special resolution passed on 23 September 2021 in place of
its then existing articles)**

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Articles of Association of 1-7 Upper Street Limited

(Adopted by special resolution dated 23 September 2021)

Introduction

1 Interpretation

1.1 In these Articles, the following words have the following meanings

Act means the Companies Act 2006.

Appointor has the meaning given in Article 11.1.

Articles means the Company's articles of association for the time being in force.

Business Day means a day other than a Saturday, Sunday or public holiday in England when banks in the City of London are open for business.

Connected Persons has the meaning given to it in section 252 of the Act.

Continuing Shareholder has the meaning given in the definition of Transfer Notice.

Deemed Transfer Notice means a Transfer Notice that is deemed to have been served under any provisions of these Articles.

Disposal means the sale or other disposal (whether by one transaction or a series of related transactions) of the whole or a substantial part of the business and assets of the Group.

Eligible Director means any Eligible Topland Director or Eligible SJW Director (as the case may be).

Eligible SJW Director means an SJW Director who would be entitled to vote on the matter at a meeting of directors (but excluding any SJW Director whose vote is not to be counted in respect of the particular matter).

Eligible Topland Director means a Topland Director who would be entitled to vote on the matter at a meeting of directors (but excluding any Topland Director whose vote is not to be counted in respect of the particular matter).

Fair Value means in relation to shares, as determined in accordance with Article 17.

Family Member means in relation to an individual, his or her spouse, children and grandchildren.

Family Trust means a trust set up for the benefit of that individual and his or her Family Members.

Group means the Company and its subsidiaries (if any) for the time being and **Group Company** means any of them.

Loans means the Topland Loan or the SJW Loan (as the case may be).

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "Model Article" is a reference to that article of the Model Articles.

Original Shareholder means a shareholder who holds shares in the Company on the date of adoption of these Articles.

Permitted Group means in relation to a company, any wholly owned subsidiary of that company, any company of which it is a subsidiary (its holding company) and any other subsidiaries of any such holding company, and each company in a Permitted Group is a member of the Permitted Group Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time.

Permitted Transfer means a transfer of shares made in accordance with Article 15.

Permitted Transferee means:

- (a) in relation to a shareholder that is a company, any member of the same Permitted Group as that shareholder;
- (b) in relation to a shareholder that is an individual or a company controlled by an individual:
 - (i) any Family Member of that individual; or
 - (ii) any other company controlled by that individual or any Family Member of that individual; or
 - (iii) the trustees of a Family Trust under which the individual is a settlor and/or beneficiary; and
- (c) in relation to a shareholder that holds shares in the Company as nominee of a Family Trust (directly or indirectly), any other nominee of that Family Trust or the trustees of that Family Trust,

For the purposes of this definition an individual controls a company if he or she holds more than 75% of the issued share capital of that company.

Sale means the sale or other disposal (whether by one transaction or a series of related transactions) of the entire issued share capital of the Company.

Sale Shares has the meaning given in the definition of Transfer Notice.

Seller has the meaning given in the definition of Transfer Notice.

Shareholders' Agreement means any shareholders' agreement which may be in place from time to time in relation to the Company.

SJW Director means any director appointed to the board of the Company by holders of the SJW Shares.

SJW Loan means any monies owing from the Company to the holder(s) of the SJW Shares.

SJW Shares means B ordinary shares of £1.00 in the capital of the Company.

Topland Director means any director appointed to the board of the Company by holders of the Topland Shares.

Topland Loan means any monies owing from the Company to the holder(s) of the Topland Shares.

Topland Shares means A ordinary shares of £1.00 in the capital of the Company.

Transfer Notice means an irrevocable notice in writing given by any shareholder (**Seller**) to the other shareholder (**Continuing Shareholder**) where the Seller desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares (**Sale Shares**) giving details of the proposed transfer.

Valuers means the auditors for the time being of the Company or, if they decline the instruction or in the event that any Topland Director or SJW Director object to their appointment in writing, an independent firm of accountants jointly appointed by the shareholders or, in the absence of agreement between the shareholders on the identity of the expert within 10 Business Days of a shareholder serving details of a suggested expert on the other, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator).

Writing or written means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of Article 15 and Article 16, "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have those meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.

- 1.5 A reference to a "holding company" or a "subsidiary" means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:

- (a) another person (or its nominee), by way of security or in connection with the taking of security; or
- (b) its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act shall be amended so that (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership, and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

- 1.6 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as it is in force on the date on which these Articles become binding on the Company.
- 1.7 A reference to a statute or statutory provision shall include all subordinate legislation made as at the date on which these Articles become binding on the Company, under that statute or statutory provision.
- 1.8 Any words following the terms "including", "include", "in particular", "for example" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9 Where the context permits, "other" and "otherwise" are illustrative and shall not limit the sense of the words preceding them.

2 Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 6(2), 7, 8, 9(1), 11 to 13 (inclusive), 16, 17, 22(2), 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49, 52 and 53 (inclusive) shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 2.4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".

- 2.5 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

Directors

3 Directors' meetings

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with Article 4.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The directors will try to meet at least 4 times per calendar year.
- 3.3 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution, and no such resolution shall be passed unless.
- (a) more votes are cast for it than against it; and
 - (b) at least one Eligible Topland Director and one Eligible SJW Director who is participating in the meeting of the directors or of the committee of the directors have voted in favour of it.
- 3.4 Except as provided by Article 3.6, each director has one vote at a meeting of directors.
- 3.5 If at any time before or at any meeting of the directors or of any committee of the directors all Topland Directors participating or all SJW Directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this Article more than once.
- 3.6 If the shareholders are not represented at any meeting of the directors or of any committee of the directors by an equal number of Eligible Topland Directors and Eligible SJW Directors (whether participating in person or by an alternate), then one of the Eligible Directors so nominated by the shareholder who is represented by fewer Eligible Directors shall be entitled at that meeting to such additional vote or votes as shall result in the Eligible Directors so participating representing each shareholder having in aggregate an equal number of votes.
- 3.7 A committee of the directors must include at least one Topland Director and one SJW Director. The provisions of Article 7 shall apply equally to meetings of any committee of the directors as to meetings of the directors.

4 Unanimous decisions of directors

- 4.1 A decision of the directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter.

5 Number of directors

The number of directors shall not be less than 4 and no more than 6 made up of an equal number of Topland Directors and SJW Directors. No shareholding qualification for directors shall be required.

6 Calling a directors' meeting

- 6.1 Any director may call a meeting of directors by giving not less than 7 Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by at least one Topland Director and one SJW Director) to each director or by authorising the Company secretary (if any) to give such notice.
- 6.2 Notice of any directors' meeting must be accompanied by an agenda specifying in reasonable detail the matters to be raised at the meeting, and copies of any papers to be discussed at the meeting.
- 6.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors agree in writing.

7 Quorum for directors' meetings

- 7.1 The quorum at any meeting of the directors (including adjourned meetings) shall be 2 directors, of whom one at least shall be an Eligible Topland Director (or his alternate) and one at least an Eligible SJW Director (or his alternate).
- 7.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 7.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 5 Business Days at the same time and place.

8 Chairing of directors' meetings

The post of chairman of the directors will be held in alternate years by a Topland Director or by an SJW Director. The chairman shall not have a casting vote. If the chairman for the time being is unable to attend any meeting of the board of directors, the shareholder who appointed him shall be entitled to appoint another of its nominated directors to act as chairman at the meeting.

9 Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the Company to retain a copy of such decisions.

10 Appointment and removal of directors

- 10.1 The holder of a majority of the Topland Shares for the time being shall be entitled to appoint 2 persons to be Topland Directors of the Company and the holders of the SJW Shares for the time being shall be entitled to appoint 2 persons to be SJW Directors of the Company provided always that there is an equal number of Topland Directors and SJW Directors.
- 10.2 Any Topland Director may at any time be removed from office by the holder of a majority of the Topland Shares and any SJW Director may at any time be removed from office by the holders of the SJW Shares. Any director who is an employee of the Company and who ceases to be an employee shall be removed from office from the date his employment ceases.
- 10.3 If any Topland Director or any SJW Director shall die or be removed from or vacate office for any cause, the holder of a majority of the Topland Shares (in the case of a Topland Director) or the holders of the SJW Shares (in the case of a SJW Director) shall appoint in his place another person to be a Topland Director or a SJW Director (as the case may be).
- 10.4 Any appointment or removal of a director pursuant to this Article shall be in writing and signed by or on behalf of the holder of a majority of the Topland Shares or SJW Shares (as the case may be) and served on each of the other shareholders and the Company at its registered office, and on the director, in the case of his removal. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.
- 10.5 The right to appoint and to remove Topland Directors or SJW Directors under this Article shall be a class right attaching to the Topland Shares and the SJW Shares respectively.
- 10.6 If no Topland Shares or SJW Shares remain in issue following a re-designation under these Articles:
- (a) any director appointed by shareholders of the class of shares which has ceased to be in issue shall be deemed to have been removed as from the re-designation; and

- (b) these Articles shall be read as if they do not include any references to Topland Directors or SJW Directors (as the case may be) or to any consents from, or attendance at any meeting or votes to be cast by, a Topland Director or SJW Director (as the case may be).

- 10.7 No Topland Director or SJW Director shall be appointed or removed otherwise than pursuant to these Articles, save as provided by law.

11 Alternate directors

- 11.1 Any director (other than an alternate director) (the **Appointor**) may appoint any person (whether or not a director) other than an existing director representing the other class of shares, to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "Topland Director" or "SJW Director" shall include an alternate director appointed by a Topland Director or an SJW Director (as the case may be). A person may be appointed an alternate director by more than one director provided that each of his Appointors represents the same class of shares but not otherwise.

- 11.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.

- 11.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

- 11.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.

- 11.5 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), 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.

- 11.6 A person who is an alternate director but not a director may, subject to him being an Eligible Director:

- (a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating); and
 - (b) 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).
- 11.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.
- 11.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.
- 11.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:
 - (a) when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
 - (b) 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; or
 - (c) when the alternate director's Appointor ceases to be a director for whatever reason.

Shares

12 Share capital

- 12.1 Except as otherwise provided in these Articles, the Topland Shares and the SJW Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 12.2 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class.
- 12.3 On the transfer of any share as permitted by these Articles:
 - (a) a share transferred to a non-shareholder shall remain of the same class as before the transfer; and
 - (b) a share transferred to a shareholder shall automatically be re-designated on transfer as a share of the same class as those shares already held by the shareholder.

If no shares of a class remain in issue following a re-designation under this Article, these Articles shall be read as if they did not include any reference to that class or to any consents

from, or attendance at any meeting or votes to be cast by, shareholders of that class or directors appointed by that class.

- 12.4 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this Article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.
- 12.5 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:
- (a) any alteration in the Articles;
 - (b) any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital; and
 - (c) any resolution to put the Company into liquidation.
- 12.6 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the Act.

13 Exit provisions

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company available for distribution amongst its members after payment of its liabilities of third parties shall be applied in the manner and order of priority set out in any Shareholders' Agreement. On a Sale or Disposal, the provisions of any Shareholders' Agreement shall also apply.

14 Share transfers: general

- 14.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.
- 14.2 No shareholder shall transfer any share except:
- (a) with the prior written consent of all shareholders for the time being; or
 - (b) in accordance with Article 15; or
 - (c) in accordance with Article 16.

- 14.3 Subject to Article 14.4, the directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 14.4 The directors may, as a condition to the registration of any transfer of shares in the Company (otherwise than to a Permitted Transferee) require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any Shareholders' Agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require. Where such transfer is made to a Permitted Transferee, the directors may, as a condition to the registration of the transfer of shares require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any Shareholders' Agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this Article 14.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 14.5 To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors of any class may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in its name to the reasonable satisfaction of such directors within 14 days of their request, such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to those shares be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of shares of that class, or to vote on a written resolution of the shareholders or to receive dividends on the shares until such evidence or information has been provided to the directors' satisfaction. Such directors may reinstate these rights at any time.
- 14.6 Any transfer of shares by way of a sale that is required to be made under Article 15 or Article 16 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.
- 14.7 Notwithstanding anything contained in these Articles, the Directors shall not decline to register any transfer of shares, whether or not fully paid, nor may they suspend registration thereof where such transfer:
- (a) is to any bank or institution to which such shares have been charged by way of security or to any nominee of such a bank or institution (a "Secured Institution"); or
 - (b) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or
 - (c) is executed by a Secured Institution or its nominee pursuant to the power of sale or other power under such security.
- 14.8 Furthermore, notwithstanding anything to the contrary contained in these Articles:

- (a) no transferor or proposed transferor of any shares in the Company to a Secured Institution and no Secured Institution shall as transferor or proposed transferor be required to offer to the shareholders for the time being of the Company or any of them the shares which are or are to be transferred;
- (b) no shareholder for the time being of the Company shall have any right under the Articles or otherwise howsoever to require shares which are the subject of a transfer or proposed transfer referred to in (a) above to be transferred to them whether for consideration or not.

15 Permitted transfers

- 15.1 An Original Shareholder may at any time transfer all (but not some only) of its shares in the Company to a Permitted Transferee.
- 15.2 A shareholder holding shares in the Company as a result of a Permitted Transfer made after the date of adoption of these Articles by an Original Shareholder under the provisions of this Article 15 may at any time transfer all (but not some only) of its shares back to the Original Shareholder from whom it received those shares or to another Permitted Transferee of such Original Shareholder.
- 15.3 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within 10 Business Days of ceasing to be a member of the Permitted Group transfer all of the shares in the Company held by it to:
 - (a) the Original Shareholder from whom it received those shares; or
 - (b) another Permitted Transferee of that Original Shareholder,

(which in either case is not in liquidation or bankrupt), without any price or other restriction.

If the Permitted Transferee fails to make a transfer in accordance with this Article 15.3, a Transfer Notice shall be deemed to have been given in respect of such shares on the expiry of the period set out in this Article 15.3.

- 15.4 An Original Shareholder or Permitted Transferee wishing to transfer any shares under the provisions of this Article 15 shall notify the other shareholder(s) of the Company of such proposed transfer at least 5 Business Days prior to the proposed transfer.

16 Compulsory transfers

- 16.1 A shareholder is deemed to have served a Transfer Notice immediately before any of the following events:
 - (a) the passing of a resolution for the liquidation of the shareholder other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the shareholder's Group (the structure of which has been previously approved by the other shareholder in the Company in writing) in which a new company assumes (and is capable of assuming) all the obligations of the shareholder; or

- (b) the presentation at court by any competent person of a petition for the winding up of the shareholder and which has not been withdrawn or dismissed within 10 days of such presentation; or
- (c) a change of control (as control is defined in section 1124 of the Corporation Tax Act 2010) of the shareholder, although in the case of a Permitted Transferee that ceases to be a member of the Permitted Group, it shall transfer the shares back to the Original Shareholder from whom it received those shares or to another Permitted Transferee of such Original Shareholder in accordance with Article 15.3 rather than being deemed to have served a Transfer Notice under this Article; or
- (d) the issue at court by any competent person of a notice of intention to appoint an administrator to the shareholder, a notice of appointment of an administrator to the shareholder or an application for an administration order in respect of the shareholder; or
- (e) any step being taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the shareholder; or
- (f) the shareholder being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or
- (g) the shareholder entering into a composition or arrangement with its creditors; or
- (h) any chargor taking any step to enforce any charge created over any shares held by the shareholder in the Company; or
- (i) a process having been instituted that could lead to the shareholder being dissolved and its assets being distributed among the shareholder's creditors, shareholders or other contributors; or
- (j) the shareholder ceasing to carry on its business or substantially all of its business; or
- (k) the shareholder committing a material or persistent breach of any Shareholders' Agreement or any of the project agreements (as referenced in any Shareholders' Agreement) to which it is a party in relation to the shares in the Company the effect of which is to materially and adversely affect the achievement of any objectives of the Company (as referenced in any Shareholders' Agreement) or to materially and adversely affect the achievement of any other material objectives set out in any business plan of the Company, which breach has not been remedied in accordance with the Shareholders' Agreement or project agreement (as the case may be); or
- (l) in the case of the events set out in paragraphs (a), (b), (d) or (e) above, any competent person taking any analogous step in any jurisdiction in which the shareholder carries on business.

16.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- (a) the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and the price for the Sale Shares

shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with Article 17, save that if the Seller is deemed to have given a Transfer Notice as a result of Article 16.1(k), the price for the Sale Shares shall be the amount that the Seller would have received on a return of assets on liquidation or capital reduction or otherwise had the Discounted MV been distributed to the parties in accordance with exit provisions as referenced in any Shareholders' Agreement. For these purposes, "Discounted MV" means an amount equal to 70% of the market value of any real estate held by the Company at close of business on the date of notification of the material breach; and

- (b) the Seller does not have the right to withdraw the Deemed Transfer Notice following a valuation.
- 16.3 The Seller and Continuing Shareholder shall abide by the provisions of any Shareholders' Agreement dealing with any dispute arising between the Seller and the Continuing Shareholder with respect to Article 16.2(a), insofar as that Article relates to a Transfer Notice being deemed to have been given as a result of Article 16.1(k). If no such Shareholder Agreement is in place, the Company shall be wound up immediately upon the Continuing Shareholder giving notice in writing to the Company to that effect within such 20 Business Day period.
- 16.4 If the Seller fails to complete a transfer of Sale Shares as required under this Article 16, the Company:
 - (a) is irrevocably authorised to appoint any person nominated for the purpose by the Continuing Shareholder as agent to transfer the Sale Shares on the Seller's behalf and to do anything else that the Continuing Shareholder may reasonably require to complete the sale; and
 - (b) may receive the purchase price in trust for the Seller, giving a receipt that shall discharge the Continuing Shareholder.

17 Valuation

- 17.1 As soon as practicable after deemed service of a Transfer Notice under Article 16, the shareholders shall appoint the Valuers to determine the Fair Value of the Sale Shares or net asset value of the Company (as the case may be).
- 17.2 The Valuers shall be requested to determine the Fair Value within 14 Business Days of their appointment and to notify the shareholders in writing of their determination.
- 17.3 The Fair Value for any Sale Share shall be the price per share determined by the Valuers on the following bases and assumptions:
 - (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;

- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - (d) the Sale Shares are sold free of all encumbrances;
 - (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
 - (f) to take account of any other factors that the Valuers reasonably believe should be taken into account.
- 17.4 The shareholders are entitled to make submissions to the Valuers including oral submissions and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.
- 17.5 To the extent not provided for by this Article 17, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.
- 17.6 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders (in the absence of manifest error or fraud).
- 17.7 Each shareholder shall bear its own costs in relation to the reference to the Valuers. The Valuers' fees and costs properly incurred by them in arriving at their valuation (including any fees and costs of any advisers appointed by the Valuers) shall be borne by the shareholders equally or in such other proportions as the Valuers shall direct.

Decision making by shareholders

18 Quorum for general meetings

- 18.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be 2 persons present in person or by proxy, of whom one shall be a holder of Topland Shares or a duly authorised representative of such holder and one shall be a holder of SJW Shares or a duly authorised representative of such holder.
- 18.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

19 Chairing general meetings

The chairman of the board of directors shall chair general meetings. If the chairman is unable to attend any general meeting, the shareholder who appointed him shall be entitled to appoint

another of its nominated directors present at the meeting to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

20 Voting

20.1 At a general meeting:

- (a) on a show of hands, every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote;
- (b) on a poll every shareholder present in person or by proxy shall have one vote for each share held by it,

and, on a vote on a written resolution, every shareholder has one vote except that no shares of one class shall confer any right to vote upon a resolution (whether at a general meeting or by way of written resolution) for the removal from office of a director appointed by holders of shares of the other class under a right to appoint which is a class right.

21 Poll votes

- 21.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 21.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

22 Proxies

- 22.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "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 to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".
- 22.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

Administrative arrangements

23 Means of communication to be used

- 23.1 Subject to Article 23.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9 00 am on the second Business Day after posting; or
- (c) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt; or
- (d) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; and
- (e) if deemed receipt under the previous paragraphs of this Article 23.1 would occur outside business hours (meaning 9 00 am to 5 30 pm Monday to Friday on a day that is not a public holiday), at 9 00 am on the day when business next starts. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

23.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand the notice was delivered to the correct address; or
- (b) if sent by post the envelope containing the notice was properly addressed, paid for and posted; or
- (c) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

23.3 Any notice, document or other information served on, or delivered to, an intended recipient under Article 15 or Article 16 (as the case may be) may not be served or delivered in electronic form, or by means of a website.

23.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

24 Indemnity and insurance

24.1 Subject to Article 24.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company 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 Company's affairs; and

- (b) 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 (a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

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

24.3 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 relevant loss.

24.4 In this Article:

- (a) **relevant officer** means any director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and
- (b) a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund of the Company.