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 COMPANIES HOUSE 02/08/2006

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THE COMPANIES ACT 1986
 COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
 OF
 KINGSCOURT (BIRMINGHAM) MANAGEMENT COMPANY
 LIMITED**

PRELIMINARY

- 1.1 The Regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 (hereinafter referred to as "Table A" shall apply to the Company save insofar as they are excluded or varied hereby and such Regulations save as so excluded or varied together with the Articles hereinafter contained shall be the Articles of Association of the Company.
- 1.2 The following Regulations of Table A shall not apply to the Company, namely Regulations 3, 24, 41, 46, 48, 54, 67, 73, 74, 75, 94, 95, 96, 97.

INTERPRETATION

- 2.1 The provisions as to the interpretation of Table A contained in Regulation 1 thereof shall apply to the interpretation of these Articles as they apply to the interpretation of Table A.
- 2.2 In these Articles the words standing in the first column of the following Table shall bear the meanings set opposite to them respectively in the second column thereof:-

<u>WORDS</u>	<u>MEANINGS</u>
"Owners(s)"	Any person(s) who is/are the owners of a long leasehold interest (namely a leasehold interest capable of registration at the Land Registry) in a Property
"Property"	Any house, flat, or duplex apartment (with or without parking space) in Kings Court, 25 Cox Street Birmingham and/or Kings Court 108 Livery Street Birmingham¹

- 2.3 In these Articles words importing the singular number only shall include the plural number and vice versa; and the words importing the masculine gender only shall include the feminine gender; and words importing persons shall include corporations.

PRIVATE COMPANY

- 3. The Company is a private company and accordingly the Company shall not offer, allot or agree to allot any shares in or debentures of the Company to the public with a view to all or any of such shares or debentures being offered for sale to the public, and sections 58(3), 59 and 60 of the Act shall apply for the purposes of this Article as they apply for the purposes of the Act.

¹ Words in bold substituted by special resolution dated 6 April 2006

4. The initial capital of the Company is £100, divided into 100 Ordinary Shares of £1 each.
- 5.1 All un-issued shares of the Company, whether forming part of the original or any increased capital shall be under the control of the Directors who may allot, grant options over, offer or otherwise deal with or dispose of them to such persons including any Directors of the Company, at such times and on such terms and generally in such manner as they think fit provided that no shares shall be issued or transferred to any owner so as to permit him to hold (other than in a fiduciary capacity) more shares than represent more than one Ordinary Share for each Property of which he is the owner.
- 5.2 The Directors are hereby generally and unconditionally authorised to exercise the powers of the Company to allot relevant securities as defined in section 80 of the Act and are empowered to make offers or agreements which would or might require relevant securities as so defined to be allotted after the expiry of such authority;
- 5.3 Unless and until the authority conferred by 5.2 above is revoked, renewed or varied,
 - 5.3.1 the maximum amount of relevant securities as so defined that may be allotted under such authority shall be the amount of un-issued relevant securities in the capital of the Company at the date of the incorporation of the Company;
 - 5.3.2 such authority shall expire on the fifth anniversary of the date of the incorporation of the Company.

REDEMPTION OF SHARES

6. Subject to the provisions of the Act shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the holder, provided that the terms on which and the manner in which any such redeemable shares shall or may be redeemed shall be specified by Special Resolution before the issue thereof.

LIEN

7. The lien conferred by Regulation 8 of Table A shall also attach to :
 - 7.1 fully paid up shares;
 - 7.2 all shares whether fully paid or not standing registered in the name of any person indebted or under liability to the Company whether he shall be the sole registered holder thereof or shall be one of two or more joint holders.
8. Every holder of a share shall at all times observe and perform the covenants and conditions relating to the maintenance repair and use of the Property in respect of which he is an Owner contained in the Lease or transfer under which the Property was originally sold and shall be bound to the Company to perform such covenants and conditions as if (if such be not already the case) the covenants had been entered into directly between the Company and himself.

TRANSFER OF SHARES

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- 9.1 No member, or other person becoming entitled to a share in consequence of the death or bankruptcy of a member, shall be entitled to transfer any share or execute any declaration of trust or enter into any agreement in relation to voting in respect of such share:
- 9.1.1 in favour of any person not being an Owner, or
- 9.1.2 in such manner as would procure any Owner to hold (otherwise than in a fiduciary capacity) more shares than represent more than one Ordinary Share for each Property of which he is the Owner.
- 9.2 No share shall be transferred at a price in excess of the nominal value.
- 9.3 The Directors may, in their absolute uncontrollable discretion and without assigning any reason thereof, refuse to register any proposed transfer of a share unless they are satisfied beyond doubt that the foregoing conditions of this Article are being complied with in regard thereto.
10. The transferor shall be deemed to remain a holder of any shares which have been or are to be transferred until the name of the transferee is entered in the register of members in respect thereof.
11. Where a member has ceased, for any reason, to be an Owner, the Directors may give notice to that member requiring him to transfer his share in the Company within the next succeeding period of twenty-eight days, and if such notice shall not be complied with the Directors may at any time thereafter transfer such share and by resolution authorise some person to transfer such shares to the person to whom the share is required to be transferred and he shall thereupon be registered as the holder of the share and shall not be bound to see the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the disposal of the share.

PROCEEDINGS AT GENERAL MEETINGS

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- 12.1 If the quorum prescribed by Regulation 40 of Table A is not present within half an hour from the time appointed for the meeting the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Directors may determine.
- 12.2 If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting one person entitled under Regulation 40 of the Table A to be counted in a quorum present at the meeting shall be a quorum.

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- 13.1 a resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded.
- 13.2 A poll may be demanded:-

- 13.2.1 by the Chairman; or
 - 13.2.2 by a member (present in person or by proxy) having the right to attend and vote at the meeting; or
 - 13.2.3 by a duly authorised representative of a corporation.
- 13.3 The demand for a poll may, before the poll is taken, be withdrawn.
- 13.4 A demand so withdrawn shall not be taken to have invalidated the result of a vote on a show of hands declared before the demand was made.
14. A resolution in writing executed pursuant to Regulation 53 of Table A and which is expressed to be a special resolution or an extraordinary resolution shall have effect accordingly.

VOTES OF MEMBERS

15. Subject to any rights or restrictions attached to any shares, on a show of hands and on a poll every member who is present in person or is present by a duly authorised representative shall have one vote for every share of which he is the holder.
16. There shall be inserted the words "Unless the Directors otherwise determine" before the words "No member shall" in Regulation 57 of Table A which shall be modified accordingly in its application to the Company.
- 17.1 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:-
- 17.1.1 be deposited at the office or at such other place within the United Kingdom and at such time as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting; or
 - 17.1.2 notwithstanding any provision to the contrary in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, be deposited with the Chairman 30 minutes before the commencement of the meeting or adjourned meeting and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.
- 17.2 Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment thereof.
18. A Director need not hold any qualification share in the Company.
19. All the Directors of the Company shall retire at each Annual General Meeting, but shall be eligible for re-election. Any member of the Company may be appointed a Director at an Annual general Meeting without the recommendation of the Directors or the need to give notice as contained in Regulations 76 and 77 of Table A which shall be modified accordingly in their application to the Company.

ALTERNATE DIRECTORS

20. An alternate Director shall cease to be an alternate Director if his appointer ceases to be a Director.

POWERS OF DIRECTORS

21. In addition to and without prejudice to the generality of the powers conferred by Regulation 70 of Table A the Directors may mortgage or charge all the undertaking and property of the Company including the uncalled capital or any part thereof, and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

DELEGATIONS OF DIRECTORS POWERS

22. The Directors may from time to time appoint any person, firm or corporation to be the Manager or Managers of the Company or of any part of the Company's business for such period and upon such terms as they think fit, and may vest in such Manager or Managers such of the powers hereby vested in the Directors as they may think fit, and such powers may be made exercisable for such period and upon such conditions and subject to such restrictions and generally upon such terms as the Directors may determine. A Manager shall receive such remuneration (whether by way of salary, commission, participation in profits, brokerage or otherwise) as the Directors may determine.
23. For the purposes regulation 93 of Table A, the consent of a Director of an alternate director to a resolution may also be given by giving notice of his approval to the company by letter, telex, cable or other similar means.
24. A Director may vote as a Director in regard to any contract or arrangement in which he is interested, or upon any matter arising thereout, and if he shall vote his vote shall be counted, and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration.
- 25.1 Subject to the provision of paragraph 25.2 of this article the directors shall endeavour to carry on the business of the company so as not to make profit or loss.
- 25.2 The Directors may, in their absolute discretion make provision for creating and setting aside a reasonable reserve fund for any general or particular purpose.
- 25.3 The Directors shall ensure that no dividend or other distribution whether in the nature of capital or income is paid or made upon or in respect of any share in the capital of the Company.

THE SEAL

26. The seal shall not be affixed to any instrument except by the general or special authority of a resolution of the Directors or of a committee of the Directors and in the presence of at least two Directors or of one Director and the Secretary or some other person authorised by the Directors and subject as hereinafter aforesaid as the case may be, shall sign autographically every instrument to which the Seal shall be so

fixed in their presence; and in favour of any purchaser or person bona fide dealing with the Company such signature shall be conclusive evidence of the fact that the Seal has been properly affixed.

NOTICES

27. The words "unless the contrary is proved" shall be deemed to be deleted from Regulation 115 of Table A which shall be modified accordingly in its application to the Company.

INDEMNITY

28. In addition to the indemnity conferred by Regulation 118 of Table A and subject to the provisions of the Act, every such person as is mentioned in the said Regulation shall be entitled to be indemnified out of the assets of the Company against all expenses, losses or liabilities incurred by him as agent of the Company or for the Company's benefit or intended benefit or in or about the discharge or intended discharge of his duties in relation to the Company.