

THE COMPANIES ACT 1985

**COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

ARTICLES OF ASSOCIATION OF

145 DRURY LANE (MANAGEMENT) LIMITED*

Adopted by a Special Resolution on 11th October, 2002

PRELIMINARY

1. (a) The Regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.
- (b) Clauses 2 to 35 (inclusive) 38, 41, 44, 54, 55, 57, 59, 64, 65, 68, 87, 94 to 97 (inclusive), 102 to 108 (inclusive), 110, 114, 116, 117 and 118 in Table A shall not apply to the Company.

INTERPRETATION

2. (a) In these Articles:-

"the Act" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force,

"the Property" shall have the meaning assigned to it in the Memorandum of Association but shall also include any

* Adopted by Special Resolution at an Extraordinary General Meeting held on 11th October, 2002.

other freehold or leasehold land, building or premises for the time being also owned and/or managed or administered by the Company.

"Qualifying Person"

means a person or persons, a firm or company or other legal entity to whom a lease or underlease of a Unit has been granted for a term of 99 years or more or to whom such a lease has been assigned or has devolved or a person having a freehold interest (other than solely a freehold reversionary interest where there is a leasehold interest originally granted for at least 99 years);

"Unit"

means any residential unit in the buildings comprised or to be comprised in the Property;

- (b) Clause 1 in Table A shall be read and construed as if the definition of "the holder" were omitted therefrom.

MEMBERS

3. The subscribers to the Memorandum of Association shall be Members of the Company. A subscriber may nominate any person to succeed him as a Member of the Company. A person so nominated by the subscriber and a person who by nomination succeeds the person nominated by the subscriber shall have the same power to nominate a person to succeed him as if he had been a subscriber. Save as aforesaid, no person shall be admitted as a Member of the Company other than a Qualifying Person. The Company must accept as a Member every person who is or who shall have become entitled to be admitted as a Member and shall have complied with either of the signature provisions set out in Article 5.
4. From the date of adoption of these Articles any corporation or person who is not a qualifying person shall be deemed to have resigned as a member of the Company howsoever such corporation or person was appointed.
5. The provisions of Section 352 of the Act shall be observed by the Company and every Qualifying Person shall either sign a written letter of application to become a Member or sign the Register of Members on becoming a Member. If two or more persons are together a Qualifying Person each shall so comply. They shall together constitute one Member and the person whose name first appears on the Register of Members shall exercise the voting powers vested in such Member. If the first-named person fails to so exercise such voting powers then the person whose name next appears in the Register of Members and who wishes to exercise such voting powers shall be entitled to exercise such voting powers in person.

6. A Qualifying Person shall cease to be a Member on the registration as a Member of the succeeding Qualifying Person for his Unit and shall not resign as a Member while holding, whether alone or jointly with others, a legal estate in any Unit. Any purported resignation as a Member in contravention of this Article shall not be accepted by the Company.
7. If a Member shall die or be adjudged bankrupt his legal representative or representatives or the trustee in his bankruptcy shall be entitled to be registered as a Member provided that he or they shall for the time being be a Qualifying Person.

GENERAL MEETINGS AND RESOLUTIONS

8. (a) An Annual General Meeting and an Extraordinary General Meeting called for the passing of a Special Resolution or a Resolution appointing a Member as a Director shall be called by at least 21 clear days notice. All other Extraordinary General Meetings shall be called by at least 14 clear days notice but a General Meeting may be called by shorter notice if it is so agreed :-
 - (i) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat, and
 - (ii) in the case of any other General Meeting, by a majority in number of the Members having a right to attend and to vote, being a majority together holding not less than 95% of the total voting rights at the meeting of all the Members.
- (b) The notice shall specify the time and place of the Meeting and, in the case of special business, the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall specify the Meeting as such.
- (c) The notice shall be given to all the Members and to the auditors and to every person, being a legal personal representative or a trustee in bankruptcy of a Member where the Member, but for his death or bankruptcy, could be entitled to receive notice of the Meeting.
- (d) All business shall be deemed special that is transacted at an Extraordinary General Meeting, and also all that is transacted at an Annual General Meeting, with the exception of the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors and the appointment of, and the fixing of the remuneration of, the Auditors.

- (e) Any Member of the Company entitled to attend and vote at a General Meeting shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of him and any proxy so appointed shall have the same right as the Member to speak at the Meeting. Every notice convening a General Meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to Members in regard to their right to appoint proxies.
- 9.
- (a) Clause 40 in Table A shall be read and constructed as if the words "at the time when the Meeting proceeds to business" were added at the end of the first sentence.
 - (b) If a quorum is not present within half an hour of the time appointed for an Annual General Meeting, the meeting, if convened on the requisition of Members, shall be dissolved: in any other case it shall stand adjourned to such day and at such time and place as the directors may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present in person or by proxy shall be a quorum.
 - (c) If a quorum is not present within half an hour from the time appointed for a General Meeting other than an Annual General Meeting the General Meeting shall stand adjourned to the same day in the next week at the same time and place or to such day and at such other time and place as the Directors may determine, and if at the adjourned General Meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present in person or by proxy shall be a quorum.
10. Clause 46 in Table A shall be read and construed as if paragraph (d) was omitted therefrom.

VOTES OF MEMBERS

11. Every Member present in person or by proxy at a General Meeting shall on a show of hands have one vote and on poll every member shall have one vote for every lease, or underlease of unit that has been granted to them for a term of 99 years or more or any such lease that has been assigned or otherwise devolved to them.

APPOINTMENT OF DIRECTORS

12. (a) The maximum number and minimum number respectively of the Directors may be determined from time to time by Ordinary Resolution in General Meeting of the Company. Subject to and in default of any such determination there shall be no maximum number of Directors and the minimum number of Directors shall be two.
- (b) A person who is not a Member of the Company shall not in any circumstances be eligible to hold office as a Director.

DIRECTORS EXPENSES

13. Clause 83 in Table A shall be read and construed as if the words "of any class of shares or" were omitted therefrom.

BORROWING POWERS

14. The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or standard security over its undertaking and property or any part thereof, and to issue debentures, whether outright or as a security for any debt, liability or obligation of the Company or of any third party.

ALTERNATE DIRECTORS

15. (a) Any director (other than an alternate director) may appoint any other director or any other Qualifying Person to be an alternate director and may remove from office an alternate director so appointed by him.
- (b) Any appointment or removal of an Alternate Director shall be effected by an instrument in writing delivered to the Secretary of the Company and signed by the appointer.
- (c) When an alternate Director is also a Director or acts as an alternate Director for more than one Director, such alternate Director shall have one vote for every Director so represented by him (in addition to his own vote if he is himself a Director) and when so acting shall be considered as two Directors for the purpose of making a quorum if the quorum exceeds two.

DISQUALIFICATION OF DIRECTORS

16. The office of a Director shall be vacated if the Director ceases to be a Member of the Company or a Qualifying Person or if at any time he becomes incapable by reason of illness or injury of managing and administering his property and affairs, and Clause 81 in Table A shall be modified accordingly.

GRATUITIES AND PENSIONS

17. The Directors may exercise the powers of the Company conferred by Clause 3 (j) of the Memorandum of Association of the Company and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

PROCEEDINGS OF DIRECTORS

18. Subject to the declaration of an interest in accordance with the Act, a Director may vote, at any meeting of the Directors or of any committee of the Directors, on any resolution, notwithstanding that it in anyway concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution as aforesaid his vote shall be counted, and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

PARTICIPATION AT MEETINGS BY TELEPHONE

19. Directors (or their alternates) or other persons participating in the manner described in this Article shall be deemed to be present in person and to be holding a meeting.

Any Director (including an alternate Director) or other person may participate in a meeting of the Directors or a Committee of which he is a member by means of a conference telephone, video or similar communicating equipment whereby all persons participating in the meeting can hear each other. Resolutions and decisions of the kind normally made or taken at a physical meeting of the Directors of a Committee in accordance with these Articles can accordingly be so made or taken in circumstances where none or only some of the Directors or other persons are physically present with each other.

MINUTES

20. Clause 100 in Table A shall be read and construed as if the words "of the holders of any class of shares in the Company" were omitted therefrom.

THE SEAL

21. The Board shall determine from time to time the device of the Seal and provide for its safe custody. The Seal shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf. Every instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or a second Director or such other person appointed by the Board for that purpose and Clause 101 of Table A shall be modified accordingly.
22. The Company may exercise the powers conferred by the Companies Acts with regard to having official seals and such powers shall be vested in the Board.
23. Where the Companies Acts so permit, any instrument signed by a Director and the Secretary or any two Directors and expressed to be executed by the Company shall have the same effect as if executed under the Seal.

NOTICES

24. Clause 112 in Table A shall be read and construed as if the second sentence was omitted therefrom.
25. Clause 113 in Table A shall be read and construed as if the words "or of the holders of any class of shares in the Company" were omitted therefrom.

INDEMNITY

26. Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by section 310 of the Act.

RULES OR BYELAWS

27. The Directors may from time to time make such Rules or Byelaws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing the classes of the conditions of membership, and in particular but without prejudice to the generality of the foregoing, they shall by such Rules and Byelaws regulate:
- (i) the admission and classification of Members of the Company, and the rights and privileges of such Members, and the conditions of membership and the terms on which Members may resign or have their membership terminated and the entrance fees, subscriptions and other fees, charges contributions or payments to be made by Members.
 - (ii) the conduct of Members of the Company in relation to one another and to the Company and to the Company's servants or agents,
 - (iii) the setting aside of the whole or any part or parts of the Property at any particular time or times or for a particular purpose or purposes,
 - (iv) the procedure at General Meetings and Meetings of the Directors and committees of the Directors of the Company insofar as such procedure is not regulated by these Articles,
 - (v) and, generally, all such matters as are commonly the subject matter of Company Rules or rules or regulations appropriate to property of a similar nature and type as the Property.

The Company in General Meeting shall have power to alter or repeal the Rules or Byelaws and to make additions thereto and the Directors shall adopt such means as they deem sufficient to bring to the notice of Members of the Company all such Rules or Byelaws which so long as they shall be in force, shall be binding on all Members of the company. Provided, nevertheless, that no Rule or Byelaw shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or Articles of Association of the Company.

--ooOoo--

The person whose name and address is shown below wishes to form a Company pursuant to these Articles of Association.

NAMES AND ADDRESS OF SUBSCRIBER

Jonathan Philip Hastings
International House
St Katharine's Way
London E1 9TW
Chartered Secretary

Witness to the above Signature:

M. Flahive
Taylor Woodrow Property Company Limited
Legal Department
International House
1 St Katharine's Way
London, E1 9 TW.

Solicitor

Dated this 24th day of February, 1999