

THE COMPANIES ACT, 1985  
PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
[SUBSIDIARY] LIMITED



30 George Square, Glasgow G2 1LH  
Telephone: 0141 221 5562  
Facsimile: 0141 221 5024  
DX GW78 Glasgow

69 George Street, Edinburgh, EH2 2JG  
Telephone: 0131 220 7660  
Facsimile: 0131 220 7661  
DX ED112 Edinburgh  
Email: [mail@tcyoung.co.uk](mailto:mail@tcyoung.co.uk)  
Ref: ATRIU00-29 M&A 23June05

THE COMPANIES ACT 1985  
AND  
THE COMPANIES ACT 1989

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION  
OF  
[Subsidiary] LIMITED

- 1.0 The name of the Company is [Subsidiary] Limited.
- 2.0 The Registered Office of the Company will be situated in Scotland.
- 3.0 The objects for which the Company is established are as follows:-
  - 3.1.1 To carry on business as a general commercial company.
  - 3.1.2 To carry on for profit, directly or indirectly, whether by itself or through subsidiary, associated or allied companies or firms in the United Kingdom or elsewhere in all or any of its branches any business, undertaking, project or enterprise of any description whether of a private or public character and all or any trades, processes and activities connected therewith or ancillary or complementary thereto.
  - 3.2 To carry on any other business which may in the opinion of the Directors of the Company be advantageously carried on in connection with or ancillary to any of the objects or businesses of the Company.
    - 3.3.1 To purchase, take a feu, lease, hire, take in exchange and otherwise acquire any property and rights which may be advantageous for the purposes of the Company.
    - 3.3.2 To lend money and give credit to any person, firm or company with or without security and subject to such terms and conditions as may be desirable.
  - 3.4 To apply for, register, purchase or otherwise acquire any patents, patent rights, licences, trademarks, trade names, designs, inventions, copyrights, secret processes and intellectual property which may be advantageous for the purpose or the business of the Company and to alter, modify and improve the same.
    - 3.5.1 To acquire all or any part of the undertaking, property, business, goodwill or assets of any person, firm, or company possessed of property suitable for any of the purposes of the Company or carrying on or proposing to carry on any business which the Company is authorised to carry on, and as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or company.
    - 3.5.2 To acquire an interest in, amalgamate or enter into partnership and joint adventures or arrangements regarding the sharing of profits, union of interests or co-operation either in whole or in part, with any such person, firm or company, and, as part of the consideration for such acquisition, to undertake all or any of the liabilities of such person, firm or company, and to give or accept, by way of consideration for any of the acts or things or any property acquired, any shares, debentures, debenture stock or securities that may be agreed upon, and to hold as investments of the Company and shares, debentures, debenture stock or securities so received and to retain,

sell charge and deal with any such shares and others

- 3.6 To improve, manage, construct, repair, develop, exchange, let on lease, charge, sell, grant licences, options and rights in respect of, or otherwise deal with all or any part of the property of the Company.
- 3.7.1 To receive money on deposit or loan.
- 3.7.2 To borrow or raise money in such manner as the Company shall think fit, to issue debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by standard security, mortgage, charge or lien over or upon all or any of the property or assets of the Company (both present and future).
- 3.7.3 To guarantee payment of any debentures, debenture stock, bonds, mortgages, charges, obligations, liabilities, interest, dividends, securities, money or shares or the performance of any contracts or engagements undertaken by any other person, firm or company as the case may be (including without prejudice to the generality of the foregoing any holding company, subsidiary company or of any company associated in any way with the Company) upon such terms as may from time to time be considered desirable in the interests of the Company, to give indemnities and guarantees of all kinds and to underwrite or guarantee the subscription of any stocks, funds, shares, debentures, debenture stock or other securities and to subscribe for the same conditionally or otherwise or to act as agents for the issue of the same and to secure any such guarantee, indemnity or any other undertaking and that by way of Floating Charge, Standard Security, Debenture, Assignment, mortgage, pledge or other charge over the whole or any part of the undertaking, property, assets or revenue of the Company, present and future (including, without prejudice, uncalled capital) with powers of sale and other necessary powers.
- 3.8 To act as Directors or Managers of or to appoint Directors or Managers of any subsidiary company or of any other company in which the Company is or may be interested and to take part in the management, supervision and control of the business or operations of any company or undertaking, and for that purpose to appoint and remunerate any directors, managers or trustees and to employ and remunerate solicitors, accountants, architects, valuers, surveyors or other experts or agents.
- 3.9 To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, promissory notes, bills of exchange, bills of lading, debentures, warrants, and other negotiable or transferable instruments.
- 3.10 To sell, feu, let, hire, licence, give in exchange, develop or otherwise dispose of or transfer the undertaking or business, property, rights and assets of the Company or any branch or part thereof, for such consideration payable in cash or in the shares stocks, debentures or securities of any other company, or partly in each of such modes of payment, or for such other consideration as may be deemed proper.
- 3.11 To establish, maintain and contribute to any pension or superannuation fund for the benefit of and to give or procure the giving of any gift, bonus, donation, pension, annuity, allowance or remuneration to, and to make any payment for or towards the insurance of, any individual, who is or was at any time in the employment of the Company or of any company which is its holding company or is a subsidiary of the Company or of any such holding company or otherwise is allied to or associated with the Company, or who is or was at any time a director or officer of the Company or of such other company, or who was at any time the proprietor or in the employment of any business acquired by the Company or such other company, and the spouse or former spouse, relatives and dependents of any such individual; to establish, subsidise and subscribed to any institution, association, club and fund which may benefit any such person.
- 3.12 To apply for, promote, and obtain any Act of Parliament, charter, privilege, concession, licence or authorisation of any government, state or municipality, provisional order or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem expedient, and to oppose

any proceedings or applications which may seem calculated directly or indirectly to prejudice the interests of the Company.

- 3.13 To indemnify and secure any company, firm or person against debt or liability incurred or undertaken for behoof of the Company or against any costs, losses or expenses incurred in connection with or arising from the business or affairs of the Company.
- 3.14 To distribute in kind among the members of the Company any property of the Company.
- 3.15 To promote any company which may seem advantageous for the purpose of the business of the Company.
- 3.16 To effect insurances against risks of all kinds.
- 3.17 To invest moneys of the Company not immediately required for the purpose of its business in such investments and securities (including land in any part of the world) and that in such manner as may from time to time be considered advantageous and to dispose of and vary such investments and securities.
- 3.18 To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, stocks, debentures or other securities of any such other company.
- 3.19 To pay all expenses of and incidental to the formation, registration and establishment of the Company.
- 3.20.1 To procure the Company to be registered or recognised in any part of the world.
- 3.20.2 To do all or any of the above things in any part of the world, either as principals, agents, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.
- 3.21 To do all such things as are or may be incidental or conducive to the attainment of the above objects or otherwise.

And it is hereby declared that in this Memorandum words denoting the singular number shall include the plural number and vice versa and the word "company" except where used in reference to the Company shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in Great Britain or elsewhere and that the objects specified in the foregoing paragraphs of this clause shall except where otherwise expressed in such paragraphs, be deemed independent and in no-wise ancillary or subordinate one to another, or limited by reference to the name of the Company or otherwise.

- 4.0 The liability of the Members is limited.
- 5.0 The share capital of the Company is £100 divided into 100 shares of £1 each, with power to increase or divide the share and with power from time to time to issue any shares of the original or new capital;

I, the subscriber, to this Memorandum of Association wish to be formed into a company pursuant to this Memorandum and I agree to take the number of shares shown opposite my name.

---

Name, Address and Descriptions of the Subscriber	Number of Shares taken by the Subscriber
--	--

---

One

---

Dated the day of  
Two Thousand and  
Witness to the above Signatures:-

THE COMPANIES ACT 1985  
AND  
THE COMPANIES ACT 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION  
OF  
[SUBSIDIARY] LIMITED

**Table A**

1. In these articles:

“Parent Organisation” means Atrium Homes incorporated under the Companies Acts (Company Number SC190351) which is the registered holder of not less than ninety per cent of the issued shares;

“Table A” means Table A in the schedule to the Companies (Tables A to F) Regulations 1985.

A reference in these articles to a “regulation” is a reference to the regulation of that number in Table A.

2. The regulations contained in Table A, apart from regulations 8-22, 24-26, 64-69, 73-80, 86, 89 and 94, apply to the company except insofar as they are inconsistent with these articles.

**Share capital**

3. The share capital at the date of the adoption of these articles is £100 divided into 100 ordinary shares of £1 each.

**Transfer of shares**

4. Subject to the prior written approval of the Parent Organisation the directors shall register a transfer of shares which is presented for registration duly stamped.

**General meetings**

5. Regulation 37 is amended by replacing “a date not later than eight weeks after receipt of the requisition” with the words “a date not later than twenty-eight days after receipt of the requisition”.

**Notices of general meetings**

- 6 (a) The first sentence of regulation 38 is amended by deleting “or a resolution appointing a person as a director”.
- (b) Notices of meetings need not be given to the directors as such and regulation 38 is modified accordingly.

**Proceedings at general meetings**

7. If and so long as there is a Parent Organisation, its representative shall be the only person

necessary to constitute a quorum at general meetings. Regulation 40 is modified accordingly.

- 8 (a) If and so long as there is only one member of the company, a decision is taken by the member, which may be taken in general meeting, is as effective as if agreed by the company in general meeting.
- (b) A decision taken by a sole member under paragraph (a) (unless taken by way of a written resolution) shall be recorded in writing and a copy shall be provided to the company.

### **Number of Directors**

9. The minimum number of directors is one and, unless otherwise determined by ordinary resolution the number of directors is not subject to a maximum. A sole director may exercise all the powers and discretions given to the directors by these articles.

### **Alternate directors**

10. A director shall not be entitled to appoint an alternate director to represent him at meetings of the directors or of committees. Accordingly:
- (a) regulation 88 is amended by deleting the last sentence; and
- (b) regulation 93 is amended by deleting from and including the words "but a resolution signed by an alternate director" to the end of the regulation.
11. The directors are not subject to retirement by rotation. The last sentence of regulation 84 is accordingly deleted.
12. Any person who is willing to act may be appointed as a director, either to fill a casual vacancy or as an additional director, by the Parent Organisation giving notice to the company of the appointment.
13. A director is not required to hold qualification shares.

### **Disqualification and removal of directors**

14. Regulation 81 is amended:
- (a) by replacing "by notice to the company" in paragraph (d) with "by notice delivered to the office or tendered at a meeting of the directors"; and
- (b) by adding at the end of the following paragraph:
- "(f) he is served a written notice, signed on behalf of the Parent Organisation requiring him to resign."
15. A person is not disqualified from being a director by having attained any particular age.

### **Directors' appointments and interests**

16. Regulation 84 is amended by replacing "the directors may appoint" with "the directors may, with the approval of the Parent Organisation, appoint".
17. Regulation 85 is amended by replacing "provided that he has disclosed to the directors the nature and extent of any material interest of his" with "provided that he has obtained the approval of the Parent Organisation".

### **Directors' gratuities and pensions**

- 18 Regulation 87 is amended by replacing “The directors may provide benefits” with “The directors may, with the approval of the Parent Organisation, provide benefits”.

### **Proceedings of directors**

19. The quorum for the transaction of the business of the directors is two except when there is only one director. When there is only one director, he may exercise all the powers conferred on directors by these articles.
20. A director may participate in a meeting of the directors or of a committee of which he is a member by conference telephone or similar communications equipment by means of which all the persons participating in the meeting can hear each other. Participation in a meeting in this manner is treated as presence in person at the meeting.
21. Regulation 91 is amended by replacing “The directors may appoint one of their number to be the chairman of the board of directors” with “The Parent Organisation may appoint and remove the chairman of the board of directors by notice to the company. If and so long as the position of chairman is vacant, the directors may appoint one of their number to be the chairman”.
22. A director may vote at a meeting of the directors or of a committee on a resolution which concerns or relates to a matter in which he has, directly or indirectly, an interest but he remains obliged in any event to declare his interest in accordance with section 317 of the Act.

### **Minutes**

23. Regulation 100 is amended by replacing paragraphs (a) and (b) with “all of proceedings of general meetings and meetings of the directors”.

### **Dividends**

24. Regulation 103 is amended by replacing “Subject to the provisions of the Act, the directors may pay interim dividends” with “Subject to the provisions of the Act and with the approval of the Parent Organisation, the directors may pay interim dividends”.

### **Accounts**

25. Regulation 109 is amended by replacing “No member shall (as such) have any right of inspecting any accounting records” with “No member, other than the Parent Organisation, shall (as such) have any right of inspecting any accounting records”.

### **Notices**

26. A notice required by these articles to be given by the company may be given by any visible form on paper, including telex or facsimile. A notice given by immediate transmission is deemed to have been given at the time that it is transmitted to the person to whom it is addressed. Regulations 111 and 113 are amended accordingly.

### **Indemnity**

27. Regulation 118 is amended:
- (a) by adding after “shall be indemnified out of the assets of the company” the words “against losses and liabilities which he incurs, otherwise than as a result of his own negligence or default, in connection with the performance of his duties as such and”;
  - (b) by adding after “in which decree is given in his favour” the words “or where the proceedings are withdrawn or settled on terms which do not include a finding or admission of a material breach of duty by him”: and
  - (c) by adding at the end the following sentence:



“Subject to the provision of the Act and with the approval of the Parent Organisation, the directors may purchase and maintain insurance at the expense of the company for the benefit of the directors or other offices or the auditors against liability which attaches to them or loss or expenditure which they incur in relation to anything done or omitted or alleged to have been done or omitted as directors’ officers or auditors”.

---

Name, Address and Description of Subscriber

Number of Shares taken by the  
Subscriber

---

One

---

Dated the day of  
Two Thousand and  
Witness to the above Signatures:-