

No. 2249382

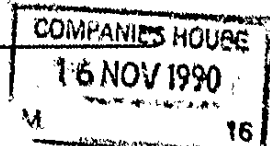
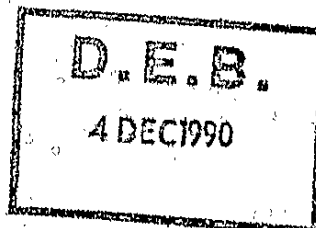
Companies Act 1985

COMPANY LIMITED BY SHARES

**Memorandum  
and  
Articles of Association**  
of

BEAZER ALBANY HOUSE DEVELOPMENTS LIMITED

Incorporated the 28th day of April 1988



---

COMPANY LIMITED BY SHARES

---

Memorandum of Association  
of

BEAZER ALBANY HOUSE DEVELOPMENTS LIMITED \*

(Amended by Special Resolution passed on 11th day of January 1989)

- 
1. The name of the Company is BEAZER ALBANY HOUSE DEVELOPMENTS LIMITED
  2. The registered office of the Company is to be situated in England.
  3. The objects for which the Company is established are:-
    - (A) (i) To purchase, take on lease, exchange, lease or otherwise deal in and to hold for the purpose of investment, development or resale and to traffic in any freehold, leasehold or other property for any estate or interest whatever, and any options, rights, privileges or easements over or in respect of the same and to purchase, exchange or otherwise deal in stocks, debentures, debenture stock, bonds, obligations or securities of any government, state or authority or of any public or private company, corporate or unincorporated; to make advances upon the security of land or house or other property or any interest therein
    - (ii) To carry on all or any of the business of building and civil engineering contractors, land, estate and property developers, repairers and jobbers, estate agents and managers, mortgage and insurance brokers, and agents, surveyors, valuers and auctioneers, builders' merchants, plant hire specialists, painters, decorators, plumbers, farmers, stock and poultry breeders, produce merchants, grocers, confectioners, tobacconists and newsagents, haulage and transport contractors, electricians and general engineers.
    - (iii) To carry on all or any of the business of hire purchase financiers, and hire purchase consultants, financiers for the promotion of the sale for cash or on credit, or on the instalment plan or hire purchase agreement or easy payment system or otherwise of goods, wares, produce, products and merchandise of every description, and to lend and advance
- \* By a Special Resolution dated 22nd October 1990 the Company changed its name to Beazer Albany House Developments Limited.

money to, or negotiate loans on behalf of, and to provide credit facilities for such persons, firms or companies, and on such terms as may seem expedient; to operate, for cash or credit, discount stores; to give guarantees or become security for the payment of money or the performance of any obligation or undertakings.

- (B) To purchase, take on lease, or on hire or otherwise acquire, hold, develop, sell, hire out, grant leases or licences or otherwise dispose of or deal with real and personal property of all and any kinds and any interest, right or privilege therein, for such consideration and on such terms as may be considered expedient.
- (C) To purchase, subscribe for or otherwise acquire and hold and deal with, any shares, stocks, debentures, bonds, or other securities, investments of any nature whatsoever, or any options in respect thereof, and to buy and sell foreign exchange.
- (D) To sell or otherwise dispose of the whole or any part of the businesses and/or undertaking of the Company, either together or in portions for such consideration and on such terms as may be considered expedient.
- (E) To improve, manage, construct, repair, develop, exchange, let on lease, or otherwise, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
- (F) To purchase or otherwise acquire and undertake, and to supervise and manage, all or any part of the business, property, assets and liabilities of any person or company.
- (G) To invest and deal with the monies of the Company not immediately required for the purpose of its business in or on such investments or securities and in such manner as may be considered expedient, and to dispose of or vary any such investments or securities.
- (H) To enter into any partnership or into any arrangement for sharing profits or to amalgamate with any person or company carrying on or proposing to carry on any business.
- (I) To lend or advance money or give credit with or without security to such persons, companies or corporations, and on such terms as may be considered expedient, and to receive money on deposit or loan from any person, company, or corporation on such terms as may be considered expedient.
- (J) To borrow or raise money on such terms and on such security as may be considered expedient and, in particular, but without limiting the generality of the foregoing, by the issue or deposit of debentures, and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company both present and future, including its uncalled capital.
- (K) To guarantee in any manner the payment of any moneys, the discharge of any debts and liabilities and the performance of any kind of obligation by any person, firm or corporation, wherever resident, formed or incorporated, including, but without limitation, any corporation which is a holding

company, a subsidiary or a fellow subsidiary of the Company, to give any kind of indemnity or other undertaking in relation to the foregoing, to secure any such guarantee, indemnity or undertaking or the payment, discharge and performance of any such moneys, debts, liabilities and obligations by any mortgage, charge, pledge, lien or other security of any kind upon the whole or any part of the undertaking, property and assets of the Company, present and future, wherever situate, including its uncalled capital, and, without prejudice to the generality of the preceding words, to enter into any such transaction in relation to any debenture stock, loan stock, bonds, notes or other securities which have been or may be issued or allotted (whether in England or elsewhere) by any person, firm or corporation, and to effect all kinds of similar transactions under the laws of England or any other country or territory.

- (L) To pay for any property, assets or rights acquired by the Company, and to discharge or satisfy any debt, obligation or liability of the Company, either in cash or in shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by any other securities which the Company has power to issue, or partly in one way and partly in another, and generally on such terms as may be considered expedient,
- (M) To accept payment for any property, assets or rights disposed of or dealt with or for any services rendered by the Company, or in discharge or satisfaction of any debt, obligation or liability to the company, either in cash or in shares, with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or in any other securities, or partly in one way and partly in another, and generally on such terms as may be considered expedient.
- (N) To form, promote, finance or assist any other company, whether for the purpose of acquiring all or any of the undertaking, property and assets of the Company or for any other purpose which may be considered expedient.
- (O) To issue, place, underwrite or guarantee the subscription of, or concur or assist in the issuing or placing, underwriting or guaranteeing the subscription of shares, stocks, debentures, bonds and other securities of any company on such terms as to remuneration and otherwise as may be considered expedient.
- (P) To apply for, purchase or otherwise acquire and hold, use, develop, sell, licence or otherwise dispose of or deal with patents, copyrights, designs, trade marks, secret processes, know-how and inventions, and any interest therein, and to make experiments and tests, and to carry on all kinds of research work.
- (Q) To draw, make, accept, endorse, negotiate, discount, execute, and issue promissory notes, bills of exchange, script warrants and other transferable or negotiable instruments.
- (R) To establish and maintain or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and

to give or procure the giving of donations, gratuities, pensions, allowances and emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary or holding company of the Company or which is a subsidiary of any holding company or is allied to or associated with the Company, or any such subsidiary or of any of the predecessors of the Company or any such other company as aforesaid, or who may be or have been Directors or Officers of the Company, or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons, and to establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well being of, the Company or of any other company as aforesaid, or of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid and without prejudice to the generality of the foregoing to act either alone or jointly as trustee or administrator for the furtherance of any of the aforesaid purposes.

- (S) To establish, on and subject to such terms as may be considered expedient, a scheme or schemes for or in relation to the purchase of, or subscription for, any fully or partly paid shares in the capital of the Company by, or by trustees for, or otherwise for the benefit of, employees of the Company or of its subsidiary or associated companies.
- (T) To the extent permitted by law, to give financial assistance for the purpose of the acquisition of shares of the Company, or for the purpose of such an acquisition of shares of the Company or for the purpose of reducing or discharging a liability incurred for the purpose of such an acquisition, to give such assistance by means of a gift, loan, guarantee, indemnity, the provision of security or otherwise.
- (U) To subscribe or guarantee money for any national, charitable, benevolent, public, general, political or useful object, and to undertake and execute any trusts the undertaking whereof may be considered expedient, and either gratuitously or otherwise.
- (V) To enter into any arrangement with any Government or other authority, supreme, municipal, local or otherwise, and to obtain from any such Government or authority any rights, concessions, privileges, licences and permits, and to promote any legislation, as may be considered expedient.
- (W) To distribute among the Members in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, and for such purpose to distinguish and separate capital from profits, but so that no distribution amounting to a reduction of capital shall be made except with the sanction (if any) for the time being required by law.
- (X) To remunerate any person or company rendering service to the Company in any manner and to pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company and of any other company formed, promoted, financed or assisted by the Company, or which the Company shall consider to be in the nature of preliminary

expenses in relation to the Company or any such other company, including the cost of advertising, commissions for underwriting, brokerage, printing and stationery, and the legal and other expenses of the promoters.

- (Y) To carry on any business which, in the opinion of the Directors of the Company, may seem capable of being conveniently carried on in connection with or as ancillary to any of the above businesses or calculated directly or indirectly to enhance the value of or render profitable any of the property of the Company or to further any of its objects and to do all other things as may be incidental or conducive to the attainment of any of the objects of the Company.
- (Z) To do all or any of the above things in any part of the world, either alone or in conjunction with others, and either as principals, agents, contractors, trustees or otherwise and either by or through agents, contractors, trustees or otherwise.

It is hereby declared (1) that the expressions 'Subsidiary' and 'Holding Company' where they appear in this Clause shall have the meanings ascribed to those expressions by Section 736 of the Companies Act 1985; (2) that, where the context so admits, the word 'Company' in this Clause shall be deemed to include any partnership or other body of persons whether or not incorporated and, if incorporated, whether or not a company within the meaning of the Companies Act 1985; and (3) that the objects specified in each of the sub-clauses of this Clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where otherwise expressed therein) by reference to or inference from the terms of any other sub-clause or the name of the Company, but may be carried out in as full and ample a manner and construed in as wide a sense as if each defined the objects of a separate and distinct company.

- 4. The liability of Members is limited.
- 5. The share capital of the Company is £1,000 divided into 500 "A" shares of £1 each and 500 "B" shares of £1 each.

We, the several persons whose names, addresses and descriptions are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

---

NAMES, ADDRESSES AND DESCRIPTIONS  
OF SUBSCRIBERS

---

Number of Shares  
taken by each  
Subscriber

---

KIER LIMITED  
Tempaford Hall  
Sandy  
Bedfordshire

Ninety Nine  
Ordinary  
Shares

Holding Company

Carolyn Diana Shipley  
15 St. Hugh's Road  
Buckden  
Huntingdon  
PE18 9UB

One  
Ordinary  
Share

Company Secretary

---

Dated this 28th day of March 1988

---

Witness to the above signatures: T H Billingsley  
13 Duck Lane  
St. Neots  
Huntingdon  
Cambridgeshire  
PE19 2DA

Administrative Assistant

THE COMPANIES ACT 1985

---

COMPANY LIMITED BY SHARES

---

ARTICLES OF ASSOCIATION

-of-

BEAZER ALBANY HOUSE DEVELOPMENTS LIMITED

(Adopted by Special Resolution passed  
on the 11th day of January 1989)

---

PRELIMINARY

1. Subject as hereinafter provided, the regulations contained in Table A (as amended from time to time) in the Schedule to the Companies (Tables A to F) Regulations 1985 (hereinafter referred to as "Table A") shall apply to the Company

2. (a) Regulations 2,3, 24, 32, 40, 41, 50, 54, 56, 62, 65-69 inclusive, 72, 73-81 inclusive, 84, 87, 89, 90, 91 and 98 of Table A, shall not apply to the Company

(b) Clause 1 of Table A shall apply to the construction of these Articles save that "the Act" means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force

(c) In these Articles:-

"the Board" means the Board of Directors of the Company for the time being



"Ordinary Shares" means the "A" Ordinary Shares and the "B" Ordinary Shares in the capital of the Company

"Ordinary Shareholders" means the holders for the time being of the "A" Ordinary Shares and the "B" Ordinary Shares in the capital of the Company

"A" Ordinary Shares" means the "A" Ordinary Shares of £1.00 each in the capital of the Company from time to time in issue as hereinafter provided

"A" Ordinary Shareholders" means the holders for the time being of the "A" Ordinary Shares in the capital of the Company

"B" Ordinary Shares" means the "B" Ordinary Shares of £1.00 each in the capital of the Company from time to time in issue as hereinafter provided

"B" Ordinary Shareholders" means the holders for the time being of the "B" Ordinary Shares in the capital of the Company

"Shares" shall mean the Ordinary Shares in the Company

"A" Directors" shall mean the two directors to be appointed by the "A" Shareholders pursuant to Article 18 of these Articles

"B" Directors" shall mean the two directors to be appointed by the "B" Shareholders pursuant to Article 18 of these Articles

"Directors" means the directors for the time being of the Company including the "A" Directors and the "B" Directors for the time being

"Director" means any director of the Company

"Member" means any holder for the time being of any of the Shares

"Subscription Agreement" means the Agreement of even date pursuant to which, inter alia, these Articles are adopted and entered into between

#### SHARES

3. (a) The Shares shall be under the control of the Directors and the Directors may allot any relevant securities (as defined by Section 80(2) of the Act) of the Company to a nominal amount of £900 (being the amount of the existing authorised unissued share capital of the Company at the date of the adoption of these Articles) in accordance with the provisions of these Articles

(b) The general authority conferred by Article 3 hereof shall extend to all relevant securities of the Company from time to time unissued during the currency of such authority. The said general authority shall expire on the fifth anniversary of the date of the adoption of these Articles unless varied or revoked or renewed by the Company in General Meeting

(c) The Directors shall be entitled under the general authority conferred by Article 3 hereof to make at any time before the expiry of such authority any offer or agreement which will or may require securities to be allotted after the expiry of such authority

(d) Subject always to the provisions of Article 5 below, Section 89(1) of the Act shall not apply to any allotment of Shares in the Company

4. (a) The share capital of the Company is £1000 divided into 500 "A" Ordinary Shares of £1 each and 500 "B" Ordinary Shares of £1 each

(b) The "A" Ordinary Shares and the "B" Ordinary Shares shall be separate classes of shares but save as herein expressly provided shall rank pari passu in all respects.

(c) Each "A" share in issue from time to time shall be entitled to three times the dividend attributable to each "B" share in issue from time to time

5. (a) No share in the capital of the Company for the time being unissued shall be issued unless immediately prior to such issue every member of the Company has consented to such issue in writing and has in writing approved the terms thereof and the person to whom such share is to be issued

(b) Save as the holders of the "A" Ordinary Shares and the holders of the "B" Ordinary Shares shall otherwise unanimously agree in writing all new shares created upon any increase of capital and any issue of unissued shares shall consist of such number of "A" Ordinary Shares and "B" Ordinary Shares as reflects the proportion as nearly as may be in which the "A" Ordinary Shares and the "B" Ordinary Shares were held prior to such issue

6. The lien conferred by Clause 8 of Table A shall attach to fully paid shares and to all shares registered in the name of any person indebted or under liability to the Company whether he be the sole registered holder thereof or one of two or more joint holders

#### NOTICES

7. Every notice calling 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, and all notices and other communications relating to a General Meeting which any member is entitled to receive shall also be sent to the Auditors for the time being of the Company

## RESOLUTIONS

8. With respect to any such Resolution in writing as is referred to in Regulation 53 of Table A:-

- (i) in the case of joint holders of a share the signature of any one of such joint holders shall be sufficient for the purposes of Regulation 53;
- (ii) in the case of a corporation which holds a share, the signature of any director or the secretary thereof or any other person duly authorised by such corporation shall be sufficient for the purposes of Regulation 53

## TRANSFERS

9. The instrument of transfer of a share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee

10. (a) Any Member who is a body corporate may transfer any Ordinary Shares to its ultimate or direct parent Company or any other body corporate controlled directly or indirectly, by its ultimate or direct parent company or the Member provided always that the Member and the transferee gives an undertaking to the Company that, in the event of any such transferee ceasing to be controlled directly or indirectly by such ultimate or direct parent company or by such Member and immediately prior to it so ceasing, such Shares shall be transferred to another body corporate so controlled by the ultimate or direct parent Company or by such Member (as the case may be)

(b) No transfer of any shares or any interest in any shares shall

be made by any member without the written consent of the other members for the time being of the Company and the Directors shall not register any transfer without receiving the other members written consent

#### PROCEEDINGS AT GENERAL MEETINGS

11. SAVE as provided in Article 10, the Members shall not be entitled to transfer any Ordinary Shares whether by way of sale or otherwise except in accordance with the following provisions of this Article 11 (and subject to Article 10(b))

- (1) Any Member wishing to transfer part or all of the Shares held by him (hereinafter referred to as the "Retiring Shareholder") shall first give a notice in writing (hereinafter referred to as "Transfer Notice" which expression shall include a notice given in respect of "A" Ordinary Shares or "E" Ordinary Shares provided that a different notice must be given with respect to each class of Shares) to the Company specifying the number and denoting numbers (if any) of the Shares which the Retiring Shareholder wishes to sell ("the Transfer Shares") which notice shall constitute the Company the agent of the Retiring Shareholder for the sale of the Transfer Shares at a price stated by the Retiring Shareholder in the Transfer Notice (hereinafter referred to as "the Price")
- (2) Any Retiring Shareholder delivering a Transfer Notice shall deposit with the Company the share certificate or certificates in respect of such Transfer Shares and a Transfer Notice once given shall be irrevocable without the consent of the Board
- (3) On receipt of the Transfer Notice given in respect of "A" Ordinary Shares (hereinafter called an "A" Ordinary Transfer Notice) the Company shall immediately offer the Transfer Shares at the Price firstly to all other "A" Ordinary Shareholders in proportion as nearly as may

be to the nominal amount of their existing holdings of "A" Ordinary Shares in the Company. Such offer shall to the extent that the same is not accepted within fourteen days of service of the "A" Transfer Notice be deemed to be declined and any Transfer Shares or remaining Transfer Shares which have not been accepted shall forthwith be offered at the Price to the "A" Ordinary Shareholders who have accepted Transfer Shares and if there be more than one such "A" Ordinary Shareholder in proportion as nearly as may be to their existing holdings of "A" Ordinary Shares in the Company on the assumption that such holding has been increased by the number of Shares they have offered to buy and (subject to the time limit) this procedure shall be repeated replacing the reference to "fourteen" by "three" until there is no demand for further Shares provided that no further offers shall be made after the expiry of twenty-one days from the date of service of the "A" Ordinary Transfer Notice

- (4) If the Company shall not within the space of twenty-one days after service of an "A" Ordinary Transfer Notice have found "A" Ordinary Shareholders willing to purchase all of the Transfer Shares the Company shall forthwith offer the Transfer Shares not so accepted to the "B" Ordinary Shareholders at the Price in proportion as nearly as may be to the number of their respective holdings of "B" Ordinary Shares. Such offer shall to the extent that the same is not accepted within fourteen days of such offer be deemed to be declined and any remaining Transfer Shares which have not been accepted shall forthwith be offered at the Price to the "B" Ordinary Shareholders who have accepted Transfer Shares and if there be more than one such "B" Ordinary Shareholder in proportion as nearly as may be to the number of their existing holdings of "B" Ordinary Shares on the assumption that such holding has been increased by the number of Shares they have offered to buy this procedure shall be repeated replacing the reference to "fourteen" by "three" until there is no demand for further Shares provided that no further offers shall be made after the expiry of the period of twenty-one days after the date of the initial offer under

this paragraph (4)

- (5) On receipt of a Transfer Notice in respect of "B" Ordinary Shares (hereinafter called a "B" Ordinary Transfer Notice") the Company shall immediately offer the Transfer Shares at the Price firstly to all the other "B" Ordinary Shareholders in proportion as nearly as may be to the nominal amount of their existing holdings of "B" Ordinary Shares in the Company. Such offer shall, to the extent that the same is not accepted within fourteen days of service of the "B" Ordinary Transfer Notice be deemed to be declined and any Transfer Shares which have not been accepted shall forthwith be offered at the Price to the "B" Ordinary Shareholders who have accepted Transfer Shares and if there be more than one such "B" Ordinary Shareholder in proportion as nearly as may be to their existing holdings of "B" Ordinary Shares in the Company on the assumption that such holding has been offered to buy and this procedure shall be repeated replacing the reference to "fourteen" by "three" until there is no demand for further shares provided that no further offers shall be made after the expiry of twenty-one days from the date of the "B" Ordinary Transfer Notice
- (6) If the Company shall not within the space of twenty-one days after service of a "B" Ordinary Transfer Notice have found any "B" Ordinary Shareholders willing to purchase all of the Transfer Shares the Company shall forthwith offer the Transfer Shares not so accepted to the "A" Ordinary Shareholders at the Price in proportion as nearly as may be to the number of their respective holdings of "A" Ordinary Shares in the Company. Such offer shall to the extent that the same is not accepted within fourteen days of such offer be deemed to be declined and any remaining Transfer Shares which have not been accepted shall forthwith be offered at the Price to the "A" Ordinary Shareholders who have accepted Transfer Shares and if there be more than one such "A" Ordinary Shareholder in proportion as nearly as may be to the number of their existing holdings of "A" Ordinary Shares on the assumption that such holding has been increased by the number of Shares they have

offered to buy this procedure shall be repeated replacing the reference to "fourteen" by "three" until there is no demand for further Shares provided that no further offers shall be made after the expiry of the period of twenty-one days after the date of the initial offer under this paragraph (6)

- (7) If the Company shall within sixty-five days after service of a Transfer Notice find purchasing shareholders in respect of all or (except where the Transfer Notice provides otherwise) any of the Transfer Shares it shall give notice thereof to the Retiring Shareholder whereupon the purchasers (hereinafter called "the Purchasing Shareholders") and the Retiring Shareholder shall be bound to complete the sale and purchase within seven days of such notice
- (8) If the Company shall not within the space of sixty-five days after service of a Transfer Notice find Purchasing Shareholders for all of the Transfer Shares or if through no default of the Retiring Shareholder the purchase of any of the Transfer Shares is not completed within the time period specified in Article 11(7) above the Retiring Shareholder shall be at liberty at any time within six months after the expiry of the said period of days or after the default under Article 11(7) above to transfer such of the Transfer Shares as were not accepted by Purchasing Shareholders or in respect of which the sale was not completed as aforesaid to any person he may wish and at the Price or any higher or (subject as provided below) lower price PROVIDED that no Transfer Shares shall be sold at a lower price than the Price without first serving a further Transfer Notice upon the Company specifying such lower price as the price at which such Transfer Shares are offered and all the provisions of this Article 11 shall apply to such further Transfer Notice save that the period for acceptance shall be seven days instead of fourteen days and the twenty-one, and forty-two and sixty-five day periods reduced to fourteen and twenty-one and forty-two days respectively and that the Price shall be such lower price



(9) In the event of the Retiring Shareholder failing to carry out the sale of any of the Transfer Shares after becoming bound so to complete the Directors may authorise some person to execute a transfer of the Transfer Shares to the Purchasing Shareholders and the Company may give a good receipt for the purchase price of such Transfer Shares and shall register the Purchasing Shareholders as holders thereof and issue to them certificates for the same whereupon the Purchasing Shareholders shall become indefeasibly entitled thereto. The Retiring Shareholder shall in such case be bound to deliver up his certificate for the Transfer Shares to the Company whereupon the Retiring Shareholder shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for the Retiring Shareholder but without interest. If such certificate shall comprise any Shares which the Retiring Shareholder has not become bound to transfer as aforesaid the Company shall issue to the Retiring Shareholder a balance certificate for such Shares

(10) The Directors shall have no right, power or discretion to decline to register any transfer of Shares provided the foregoing procedures set out in this Clause have been observed by the Retiring Shareholder

12. No business shall be transacted at any General Meeting unless a quorum is present. Two members present (of whom one shall be or represent a holder of "A" Ordinary Shares and one of whom shall be or represent a holder of "B" Ordinary Shares) shall be a quorum for all purposes

13. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present the meeting shall stand adjourned to such time and place as the Directors may determine and the Directors shall cause reasonable notice (specifying the time and place of the adjourned meeting and the general nature of the business to be transacted thereat) to be given to all Members of any re-convened meeting following any such adjournment. If at such

re-convened meeting a quorum is still not present then the Members present in person or by proxy (of whom there shall be at least two representing two of the three different classes of Ordinary Shares in the Company) shall constitute a quorum for the purposes of any such re-convened meeting

14. Subject to the above clause it shall not be necessary to give any notice of an adjourned meeting and Clause 45 of Table A shall be construed accordingly.

15. A poll may be demanded by any Member present in person or by proxy and Clause 46 of Table A shall be modified accordingly

16. (a) On a show of hands every Member who is present in person or by proxy shall have one vote and on a poll every Member shall have one vote for every £ in nominal amount of the "A" Ordinary Shares of which he is the holder and one vote for every £1 in nominal amount of the "B" Ordinary Shares of which he is the holder provided that :

- (i) no "A" Ordinary Shares shall confer any right to vote upon a resolution for the removal from office of a "B" Director;
- (ii) no "B" Ordinary Shares shall confer any right to vote upon a resolution for the removal from office of an "A" Director;
- (iii) if at any meeting any holder of any "A" Ordinary Shares is not present in person or by proxy the votes exercisable on a poll in respect of the "A" Ordinary Shares held by Members present in person or by proxy shall be pro tanto increased so that such "A" Ordinary Shares together entitle such Members to the same aggregate number of votes as could be the case in respect of all the "A" Ordinary Shares if all the holders thereof were present, and

(iv) the provisions of sub-paragraph (iii) of this Article shall apply to the votes exercisable on a poll in respect of "B" Ordinary Shares except that references to "A" Ordinary Shares shall be construed as references to "B" Ordinary Shares

(b) The Chairman of a general meeting shall not be entitled to a second or casting vote.

#### DIRECTORS

17. The number of Directors shall be not less than two.

18. (a) The holders of a majority of the "A" Ordinary Shares for the time being issued shall be entitled by notice in writing signed by them and left at or sent by registered post to the registered office for the time being of the Company to appoint one Director and by like notice to remove any Director so appointed and at any time and from time to time by like notice to appoint any other person to be a Director in the place of the Director so removed or in the place of any Director vacating office in any way and originally so appointed by them. Any Director so appointed shall be an "A" Director. The holders of a majority of the "B" Ordinary Shares for the time being issued shall be entitled by notice in writing signed by them and left at the registered office for the time being of the Company to appoint one Director and by like notice to remove any Director so appointed and at any time and from time to time by like notice to appoint any other person to be a Director in the place of the Director so removed or in the place of any Director vacating office in any way and originally so appointed by them. Any Director so appointed shall be a "B" Director. Any notice given pursuant to this paragraph of this Article shall take effect immediately upon delivery to the registered office of the Company

(b) Every Director appointed pursuant to this Article shall hold office until he is either removed or dies or vacates office pursuant to Article 24 and (subject to the provisions of Section 303 of the Act) neither the

Company in General Meeting nor the Directors shall have power to fill any such vacancy

(c) Any Director appointed pursuant to this Article shall be at liberty from time to time to make such disclosures to the shareholder (and where such shareholder is a corporation to its holding company or any of the subsidiary companies of such holding company) appointing him as to the business and affairs of the Company as he shall in his absolute discretion determine

(d) Except in manner provided by this Article no person shall be appointed to fill any vacancy occurring in the office of Director and neither the Company in general meeting nor the Directors shall have power to fill any such vacancy

19. A Director need not hold any shares of the Company to qualify him, as a Director but he shall be given to receive notice of and attend at all General Meetings of the Company and at all separate General Meetings of the holders of any class of shares in the capital of the Company which he represents

20. If any Director shall be called upon to perform extra services or to make special exertions for any of the purposes of the Company the Company may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by a resolution passed at a Board Meeting of the Directors of the Company, and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled as a Director

21. A Director shall be entitled to 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 does so vote his vote shall be counted and he shall be reckoned in estimating a quorum when any such contract or arrangement is under consideration. Regulations 94 to 98 (inclusive) of Table A

shall not apply to the Company

22. Any Director or member of a committee of the Board may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

23. The Directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or on his death to his widow or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance

24. The Office of Director shall be vacated if the Director

- (a) becomes bankrupt or makes any arrangements or composition with his creditors generally; or
- (b) becomes prohibited from being a Director by reason or any order made under Section 295 of the Act; or
- (c) in the reasonable opinion of all his co-Directors becomes incapable by reason of mental disorder of discharging his duties as Director; or
- (d) resigns his office by notice in writing to the Company; or
- (e) is removed from office under Article 18
- (f) shall for more than 6 consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his

office be vacated

25. (a) Any Director may be writing under his hand appoint any other person to be his alternate and every such alternate shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the Directors and, in the absence from the Board of the Director appointing him, to attend and vote at meetings of the Directors and to exercise all the powers, rights, duties and authorities of the Director appointing him. A Director may at any time revoke the appointment of an alternate appointed by him, appoint another person in his place, and if a Director shall die or cease to hold the office of Director the appointment of his alternate shall thereupon cease and determine. A Director acting as alternate shall have an additional vote at meetings of Directors for each Director for whom he acts as alternate but he shall count as only one for the purpose of determining whether a quorum be present.

(b) Every person acting as an alternate Director of the Company he shall be deemed to be the agent of or for the Director appointing him who shall alone be responsible to the Company for his alternate acts and defaults. The remuneration of any such alternate Director shall be payable out of the remuneration payable to the Director appointing him, and shall consist of such portion of the last-mentioned remuneration as shall be agreed between the alternate and the Director appointing him

26. The quorum necessary for the transaction of the business of the Directors shall be two, of whom one shall be an "A" Director and one a "B" Director. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors

27. The first Chairman of the Board shall be nominated by the "A" Shareholders and such nominee shall remain as Chairman until the conclusion of the first Annual General Meeting of the Company. Thereafter the Chair-

man of the Company shall be nominated by the "A" and "B" Shareholders in turn (such nominee to be Chairman until the conclusion of the next Annual General Meeting)

28. The Directors may from time to time appoint one or more of their body to hold any executive office in the management of the business of the Company including the office of Managing or Joint Managing or Deputy or Assistant Managing Director as the Directors may decide for such fixed term or without limitation as to period and on such terms as they think fit and a Director appointed to any executive office shall (without prejudice to any claim for damages for breach of any Service Contract between him and the Company) if he ceases to hold the office of Director from any cause ipso facto and immediately cease to hold such executive office)

29. Questions arising at any meeting of Directors shall be determined by a unanimous vote and in the case of an equality of votes the Chairman of the Board of Directors shall not have a casting vote. Clause 88 of Table A shall be modified accordingly. On each occasion of the Directors exercising their votes the "A" Director shall have one vote and the "B" Director shall have one vote

30. The following proviso shall be added to Clause 110 of Table A: "provided that the resulting shares distributed to the holders of the "A" Ordinary Shares shall be "A" Ordinary Shares and those distributed to the holders of the "B" Ordinary Shares be "B" Ordinary Shares and provided further that all new shares shall be issued in accordance with Article 5

#### CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

31. Any one of the Directors or the Secretary for the time being of any corporation which is a member of the Company, or any other person appointed by resolution of the Directors or other governing body of such corporation, may (subject to the Articles of Association of that corporation) act as its

representative at any meeting of the Company or any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

Any one of the Directors or the Secretary for the time being of the Company or any other person appointed by resolution of the Directors or other governing body of the Company may act as its representative at any meeting of any corporation of which the Company is a member or of any class of members of such corporation and the person so authorised shall be entitled to exercise the same powers on behalf of the Company as the Company could exercise if it were an individual member of that corporation.

#### SUBSCRIPTION AGREEMENT

32. In any event of any inconsistency between the provisions of these Articles and the Subscription Agreement then the provisions of the subscription Agreement shall prevail