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**Statutory Declaration of compliance
with requirements on application
for registration of a company**

Please do not
write in
this margin

Pursuant to section 12(3) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block lettering

To the Registrar of Companies

For official use

For official use

[] [] [] []

2522271

Name of company

* CALA HOMES (SOUTH) LIMITED

* insert full
name of Company

I, CHRISTOPHER ROBERT BENJAMIN TAYLOR

of 76 Bridge Road, Hampton Court, East Molesey, Surrey, KT8 9HF

† delete as
appropriate

do solemnly and sincerely declare that I am a [Solicitor engaged in the formation of the company]†
[person named as director or secretary of the company in the statement delivered to the registrar under
section 10(2)]† and that all the requirements of the above Act in respect of the registration of the above
company and of matters precedent and incidental to it have been complied with,

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the
provisions of the Statutory Declarations Act 1835

Declared at 63 Bridge Road, Hampton
Court, East Molesey, Surrey,

Declarant to sign below

the 4th day of July

One thousand nine hundred and ninety

before me J. L. O'Brien J. L. O'Brien
(Secretary)

A Commissioner for Oaths or Notary Public or Justice of
the Peace or Solicitor having the powers conferred on a
Commissioner for Oaths.

Presentor's name address and
reference (if any):
1/1c

LAYTONS,
76 BRIDGE ROAD,
EAST MOLESEY,
KT8 9HF

For official Use
New Companies Section

Post room
COMPANIES HOUSE
05 JUL 1990
M

G

Statement of first directors
and secretary and intended
situation of registered office

Please do not
write in
this margin

Pursuant to section 10 of the Companies Act 1985

To the Registrar of Companies

Please complete
legibly, preferably
in black type, or
bold block lettering

For official use

Name of company

* insert full name
of company

* CALA HOMES (SOUTH) LIMITED

The intended situation of the registered office of the company on incorporation is as stated below

Leamington Court, Andover Road, Newfound, near Basingstoke, Hampshire	
	Postcode

If the memorandum is delivered by an agent for the subscribers of the memorandum please mark 'X' in the box opposite and insert the agent's name and address below

X

Laytons,	
76 Bridge Road, Hampton Court, East Molesey, Surrey.	
	Postcode
	KT8 9HF

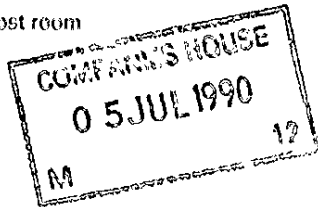
Number of continuation sheets attached (see note 1)

--

Presenter's name address and
reference (if any):
1/tc

For official Use
General Section

Post room



The name(s) and particulars of the person who is, or the persons who are, to be the first director or directors of the company (note 2) are as follows: Please do not write in this margin

Name (note 3) CHRISTOPHER ROBERT BENJAMIN TAYLOR		Business occupation Solicitor	
Previous name(s) (note 3)		Nationality British	
Address (note 4) 76 Bridge Road, Hampton Court, East Molesey, Surrey			
Postcode	KT8 9HF		
Date of birth (where applicable) (note 6)			
Other directorships † Sunlight House Nominees Limited, Perchstand Limited.			
I consent to act as director of the company named on page 1			
Signature <i>[Signature]</i>		Date <i>19th Dec 1990</i>	

† enter particulars of other directorships held or previously held (see note 5) if this space is insufficient use a continuation sheet.

Name (note 3)		Business occupation	
Previous name(s) (note 3)		Nationality	
Address (note 4)			
Postcode			
Date of birth (where applicable) (note 6)			
Other directorships †			
I consent to act as director of the company named on page 1			
Signature		Date	

Name (note 3)		Business occupation	
Previous name(s) (note 3)		Nationality	
Address (note 4)			
Postcode			
Date of birth (where applicable) (note 6)			
Other directorships †			
I consent to act as director of the company named on page 1			
Signature		Date	

2522271



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16/7

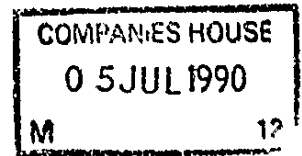
THE COMPANIES ACT 1989
COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

ESB - BAR,
728684.

CALA HOMES (SOUTH) LIMITED



1. The name of the Company is CALA HOMES (SOUTH) LIMITED

2. The Registered Office of the Company will be situate in England,

3. The objects for which the Company is established are:



(a) (i) To carry on the business of land development and to buy, take on lease, or otherwise acquire, and to sell, let on lease, or otherwise turn to account lands and buildings and any rights and privileges connected therewith and in particular to develop any such lands by laying out, constructing and maintaining roads, sewers, drains and waterworks and by erecting buildings thereon and laying out parks, gardens, sports and recreation grounds and providing other amenities and conveniences.

(ii) To enter into agreements with builders, contractors, agents, tenants and purchasers, and to advance money to builders and others on the security of lands with or without buildings erected thereon and to guarantee and secure the repayment of money borrowed from building societies or others on the security of lands with or without buildings erected thereon and to carry on the business of builders, contractors, decorators, builders' merchants, carriers, house and estate agents, auctioneers, surveyors and valuers and every other business connected with the building trade.

- (b) To carry on any other business which, in the opinion of the company, may be capable of being conveniently or profitably carried on in conjunction with or subsidiary to any other business of the company and is calculated to enhance the value of the Company's property.
- (c) To purchase or by any other means acquire freehold, leasehold or any other property for any estate or interest whatever, movable or immovable, or any interest in such property, and to sell, lease, let on hire, develop such property, or otherwise turn the same to the advantage of the Company.
- (d) To apply for, register or by other means acquire any patents, patent rights, brevets d'invention, licences, trade marks, concessions and inventions and to use and turn to account the same or to develop, sell or assign the same or grant licences or privileges in respect thereof or otherwise turn the same to the advantage of the Company.
- (e) To build, reconstruct or generally maintain buildings and works of all kinds, whether or not these are situate on the property of the Company.
- (f) To invest and deal with the monies of the Company in such shares or upon such securities and in such manner as from time to time may be determined.
- (g) To amalgamate with or to make any agreement or arrangement with or enter into partnership or joint purse agreement with any other company, firm or person carrying on business similar or complementary to the business of the Company or any part thereof.
- (h) To subscribe for, take, purchase or otherwise acquire either for cash, shares or debentures in this Company or any other consideration any other company or business which, in the opinion of the Company, may be carried on so as directly or indirectly to benefit the Company.

- (i) To sell or otherwise dispose of the whole or any part of the business or property of the Company for any consideration, shares or debentures as the Company may think fit.
- (j) To lend money to customers and others and to guarantee the observance and performance of obligations and contracts by customers and others.
- (k)
 - (i) To borrow or raise money in such manner as the Company thinks fit and secure the repayment thereof by the creation and issue of the debentures, debenture stock, mortgages or in any other way
 - (ii) To guarantee the payment of any monies and the performance of any contract, liabilities, duties, obligations or engagements of any company, society, association, body, firm or person, including without prejudice to the foregoing generality any company which is for the time being the Company's holding or subsidiary company as defined by Section 736 of the Companies Act 1985 or any re-enactment thereof or a subsidiary of such holding company, or otherwise associated with the Company in business and whether or not this Company receives directly or indirectly any benefit, consideration or advantage therefrom and to secure the said payment, performance, obligations and others in such manner of way as the Company may think fit by granting any Mortgage, Charge, Floating Charge, Standard Security, Assignment, Pledge, Lien or other security upon the whole or any part of the Company's undertaking, property, revenue, or assets (whether present or future) including uncalled capital with powers of sale and other usual and necessary powers.
- (l) To pay or remunerate any person, firm, or company for rendering services to the Company in the promotion of the Company or the placing and issue of shares, debentures, debenture stock or other securities of the Company.

- (m) To support and subscribe to any funds and to subscribe to or assist in the promotion of any charitable, benevolent or public purpose or object for the benefit of the Company or its employees, Directors or other officers past or present and to grant pensions to such persons or their dependents.
- (n) To draw, make, accept, endorse, discount and execute bills, warrants, notes or other negotiable or transferable instruments.
- (o) To assist in the promotion of or promote any company or undertaking which may appear likely to assist or benefit the Company and to place or guarantee the placing of, subscribe or underwrite or otherwise acquire any part of the stock, debentures, debenture stock or other obligations of such company.
- (p) To promote by way of advertising the Company's products and services in any manner and to reward customers or potential customers and to promote or take part in any scheme likely to benefit the Company.
- (q) To distribute in specie any of the shares, debentures or securities of the Company between the members of the Company in accordance with their rights.
- (r) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

All the foregoing objects shall be read and construed as separate and distinct objects and the generality of any of such objects shall not be abridged or cut down by reference to any other object of the Company.


4. The liability of the members is limited.

5. The share capital of the Company is £100,000.00 divided into 100,000 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.

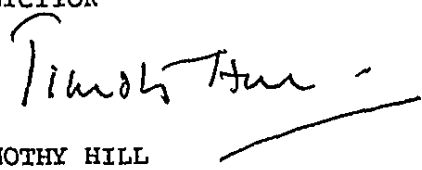
Names, Addresses and Descriptions
of Subscribers

Number of Shares
taken by each Subscriber


CHRISTOPHER ROBERT BENJAMIN TAYLOR
76 Bridge Road
East Molesey
Surrey

1

SOLICITOR

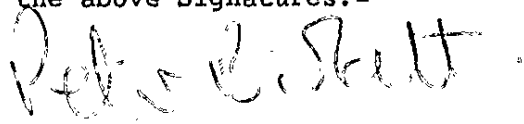

TIMOTHY HILL
76 Bridge Road
East Molesey
Surrey

1

SOLICITOR

DATED this 4th day of July 1990

WITNESS to the above Signatures:-


PETER BIRKETT
76 Bridge Road
East Molesey
Surrey

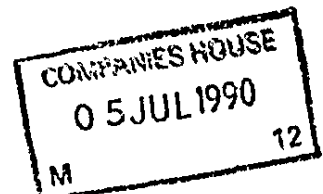
SOLICITOR

THE COMPANIES ACT 1989
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

CALA HOMES (SOUTH) LIMITED



PRELIMINARY

- 1.1 Subject as hereinafter provided, the regulations contained in or made applicable by Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (hereinafter called "Table A") shall apply to the Company but in the case of any variation or inconsistency between these Articles and Table A, these Articles shall prevail
- 1.2 References to regulations are to the regulations of Table A
- 1.3 In regulation 1 between the words "regulations" and "the Act" the words "and in any Articles adopting the same" shall be inserted

INTERPRETATION

- 2.1 After the definition "clear days" and before the definition "executed" there shall be inserted the following definitions:-
- 2.1.1 "company" means any body corporate or association of persons, whether or not a company within the meaning of the Act
- 2.1.2 "the Company" means Cala Homes (South) Limited
- 2.2 The word "writing" shall, where the context so admits, be construed as including printing, lithography, photography, and other modes of representing or reproducing words in a visible form

SHARE CAPITAL

3. The share capital of the Company at the adoption of these Articles is £100,000.00 shares of £1. each

SHARE WARRANTS TO BEARER

4. The Company shall not have power to issue share warrants to bearer

LIEN

5. In regulation 8 the words "(not being a fully paid share)" shall be omitted

TRANSFER OF SHARES

- 6.1 In regulation 23 the words "shall be in writing and" shall be inserted after the words "transfer of a share"
- 6.2 The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of a share, whether or not it is a fully paid share, and the first sentence of regulation 24 shall not apply to the Company
- 6.3 The Directors shall decline to register the transfer of a share, if as a result of such transfer, the number of members would exceed that permitted by Article 13 hereof
- 6.4 Unless and until the name of the transferee of any share is entered in the register of members, the transferor shall be deemed to remain the holder of that share

PURCHASE OF OWN SHARES

7. The Company shall not (except pursuant to a reduction of capital approved by the Court or pursuant to a redemption of redeemable shares in accordance with the Act) purchase or redeem the whole or

any part of the share capital of the Company, and accordingly regulation 35 shall not apply

GENERAL MEETINGS

8. In regulation 37 the words "or any member" shall be deleted and replaced by the words "any two members"

NOTICE OF GENERAL MEETINGS

9. The notice convening a meeting to consider a special resolution shall specify the intention to propose the resolution as a special or extraordinary resolution, as the case may be

PROCEEDINGS AT GENERAL MEETINGS

- 10.1 The ordinary business of the annual general meeting shall be the declaration of dividends, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors, the election of Directors and the appointment of, and the fixing of the remuneration of, the Auditors.
- 10.2 No business at an Extraordinary General Meeting nor ordinary business at an Annual General Meeting, may be transacted, unless due notice of such business has been given.
- 10.3 If within fifteen minutes from the time appointed for the meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to 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 member or members present shall be a quorum and regulation 41 shall not apply
- 10.4 In regulation 45 the second sentence shall be deleted and replaced by the following sentence:-

"When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting."

- 10.5 In Regulation 46 (b), the words "by at least two members" shall be deleted and replaced by the following words, "by any member or members present"
- 10.6 If at any meeting any error shall be made in the counting of votes, whether by failure to count any vote which ought to have been counted or by counting votes which ought not to have been counted, the error shall not invalidate the result of voting, unless it be pointed out at the same meeting, and shall, in the opinion of the chairman be of sufficient magnitude to invalidate the result of the voting. If the chairman considers that the error is of sufficient magnitude, then the votes shall be re-counted.

VOTES OF MEMBERS

- 11.1 An instrument appointing a proxy shall be in writing in the usual or common form or in any other form which the Directors may approve and
- (i) in the case of an individual shall be signed by the appointor or his attorney;
- (ii) in the case of a corporation shall be either given under its Common Seal or signed on its behalf by an attorney or a duly authorised officer of the corporation;
- regulations 60 and 61 shall not apply
- 11.2 The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.
- 11.3 A member entitled to attend and vote at a meeting of the Company shall be entitled to appoint more than one proxy to attend on the

same occasion and the proxy or proxies shall have the same powers to vote at a meeting of the Company as a member present in person.

REPRESENTATIVES OF CORPORATIONS

12. Any corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member

NUMBER OF MEMBERS

13. The number of members of the Company (exclusive of (a) persons who are at the same time both members of the Company and in the employment of the Company and (b) persons who were at the same time both members of the Company and in the employment of the Company and who have continued after the determination of such employment to be members of the Company) is limited to 50 provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single member

NUMBER OF DIRECTORS

14. Until otherwise determined by the Company in general meeting, there shall be no maximum number of Directors but the minimum number of Directors shall be one and regulation 64 shall not apply. In the event of the minimum number of Directors fixed by or pursuant to these Articles being one, such Director shall have authority to exercise all the powers and discretions vested in the Directors generally and Regulation 70 shall be modified accordingly.

ALTERNATE DIRECTORS

- 15.1 In Regulation 66 at the end of the first sentence, the following words shall be included, "save that the appointor of an alternate director may direct the payment to the alternate director of part or

all of the remuneration which would otherwise be payable to the appointor"

- 15.2 In Regulation 67 the words "but, if a Director after his reappointment" shall not apply
- 15.3 An alternate director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote

POWERS OF DIRECTORS

- 16 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof without limit and, subject to Section 80 of the Act, 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

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 17.1 Regulations 73 to 80 inclusive shall not apply
- 17.2 The Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director
- 17.3 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors
- 17.4 No appointment of any person as Director shall have effect unless and until his consent to act as Director shall have been received at the Company's registered office

- 17.5 Section 293 of the Act shall not apply to the Company and a person shall be capable of being appointed and continuing to hold office as a Director notwithstanding that he has attained the age of 70 or any other age and no special notice shall be required in relation to his appointment

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 18.1 The office of Director shall be vacated in the circumstances set out in regulation 81 save that sub-regulations (c) and (e) shall not apply
- 18.2 In addition to the circumstances set out in regulation 81 the office of Director shall be vacated if the Director becomes of unsound mind

REMUNERATION OF DIRECTORS

19. Any Director who, being so requested by the Directors, performs special or extraordinary services on behalf of the Company or who travels or resides outside the United Kingdom for the purpose of discharging his duties may be paid such extra remuneration (whether by way of lump sum, salary, commission, participation in profits or otherwise) as the Directors may determine

DIRECTORS' APPOINTMENTS AND INTERESTS

- 20.1 Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any interest of his a Director notwithstanding his office shall be entitled to vote in respect of any contract or arrangement in which he is directly or indirectly interested including in particular, the appointment of himself or any other Director to any office or place of profit under the Company and the terms of any such appointment, and to be counted in reckoning whether a quorum is present at any meeting whereat any such matter is considered or decided
- 20.2 If a matter was entered in or the proposed matter was considered before the Director was appointed or elected, the declaration

required to be given under Section 317 of the Act shall be made at the first meeting of the Directors following his appointment or election or if he was not then aware of the existence of the matter or proposed matter at the next meeting following his becoming so aware

20.3 Regulations 85 and 86 shall not apply

DIRECTORS' GRATUITIES AND PENSIONS

21.1 The Directors may grant retirement pensions or annuities or other gratuities or allowances including allowances on death to any person or to the widow of or dependants of any person in respect of services rendered by him to the Company whether directly in any office or employment under the Company or indirectly as an officer or an employee of any subsidiary of the Company, notwithstanding that he may be or may have been a Director of the Company, and the Company may make payments towards insurances or trusts for such purposes in respect of such person or generally for the benefit of such persons or their family or estate and may include rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person. A Director shall not be accountable by reason of his office for any benefit received by him from the exercise of this power

21.2 Regulation 87 shall not apply

PROCEEDINGS OF DIRECTORS

22. Regulations 94-98 inclusive shall not apply

SECRETARY

23. The Directors may from time to time appoint an assistant or a deputy secretary to exercise the functions of the Secretary and any person so appointed may be removed by them. Any act done by any person while so appointed shall be as valid and effectual as if it had been done by the Secretary and in person

THE SEAL

24. The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors

ACCOUNTS


25. The Directors shall on reasonable notice being given make the books of account and all other documents relating to the affairs of the Company available for inspection by or on behalf of the Company's holding company as defined by Section 736 of the Act

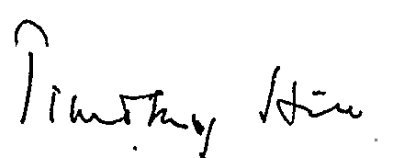
INDEMNITY AND INSURANCE

26. Every Director or other officer of the Company shall insofar as the provisions of this Article are not avoided by the Section 310 be indemnified out of the assets of the Company against all losses or liabilities which in such capacity 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 judgment 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 and the Company may purchase and thereafter maintain for every Director or other officer of the Company insurance against such liability

Regulation 118 shall not apply

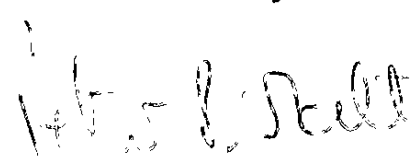
NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS


CHRISTOPHER ROBERT BENJAMIN TAYLOR
76 Bridge Road
East Molesey
Surrey


TIMOTHY HILL
76 Bridge Road
East Molesey
Surrey

DATED this 4th day of July 1990

WITNESS to the above signatures:


PETER BIRKETT
76 Bridge Road
East Molesey
Surrey

SOLICITOR

FILE COPY



**CERTIFICATE OF INCORPORATION
OF A PRIVATE LIMITED COMPANY**

No. 2522271

I hereby certify that

CALA HOMES (SOUTH) LIMITED

is this day incorporated under the Companies Act 1985 as
a private company and that the Company is limited.

Given under my hand at the Companies Registration Office,
Cardiff the 16 JULY 1990

F. A. Joseph.
F. A. JOSEPH

an authorised officer

G**COMPANIES FORM No. 224****224****Notice of accounting reference date**
(to be delivered within 9 months of
incorporation)Please do not
write in
this marginPursuant to section 224 of the Companies Act 1985
as inserted by section 3 of the Companies Act 1989Please complete
legibly preferably
in black type, or
bold block
letteringTo the Registrar of Companies
(Address overleaf)

Company number

2522271

Name of company

CALA HOMES (SOUTH) LIMITED

*insert full name
of companygives notice that the date on which the company's accounting reference period is to be
treated as coming to an end in each successive year is as shown below:**Important**The accounting
reference date to
be entered along-
side should be
completed as in the
following examples:

Day Month

3 0 0 6

5 April

Day Month

0 5 0 4

30 June

Day Month

3 0 0 6

31 December

Day Month

3 1 1 2

+ Insert
Director,
Secretary,
Administrator,
Administrative
Receiver or
Receiver
(Scotland) as
appropriate

Signed

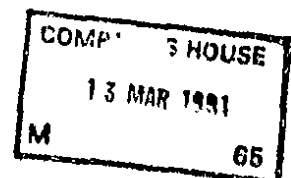


Designation + Director

Date 11-3-91

Presentor's name address and
reference (if any):For official use
D.E.B.

Post room



COMPANIES HOUSE

If you need to contact us regarding
this notice, please quote reference

THE DIRECTORS
CALA HOMES (SOUTH) LIMITED
LEAMINGTON COURT
ANDOVER RD
NEWFOUND, NR BASINGSTOKE
HAMPSHIRE

ARD 1/ 02522271

Date: 8 MARCH 1991

COMPANIES ACT 1985 (as amended by Companies Act 1989)

This company has until 16/ 4/91 to specify an accounting
reference date. This may be done on the form 224 overleaf.

Should it not do so, the accounting reference date will
be 31/07 and the first accounts will cover the period
16/ 7/90 to 31/ 7/91

COMPANIES HOUSE
CARDIFF
CF4 3UZ

Tel: Cardiff (0222) 380010

660



Company Number: 02522271

CALA HOMES (SOUTH) LIMITED
("the Company")

SPECIAL WRITTEN RESOLUTION OF
ALL THE MEMBERS OF THE COMPANY
PASSED IN ACCORDANCE WITH SECTION
381A OF THE COMPANIES ACT 1985

We, being all the members of the Company for the time being entitled to receive notice of and attend and vote at general meetings of the Company, HEREBY RESOLVE:-

That the Articles of Association of the Company be altered by the addition of a new Article 27 as follows:-

APPOINTMENT AND REMOVAL OF DIRECTORS

27.

27.1 Any person may be appointed a director or any director may be removed from office:-

27.1.1 by notice in writing of such appointment or removal, given to the Company by the holder or holders of a majority in nominal value of such of the issued share capital for the time being of the Company as carries the right of attending and voting at general meetings of the Company, and signed by such holder or holders or, in the case of a holder which is a corporation, signed by any director or the secretary of the corporation, and left at or sent to the registered office; or

27.1.2 by ordinary resolution of the Company in general meeting and without the need to give special notice of such resolution under section 379 of the Act.

27.2 Every such appointment or removal by notice shall take effect on and from the date on which the same is left or received at the registered office or (as the case may be) on and from such earlier date on which an intimation by telex or cable is received at the registered office to the effect that such notice of

appointment or removal has been signed and sent to
the registered office.

Robert J. Dixon
.....
for and on behalf of Cala Plc

Dated 19 DECEMBER 1991

[Signature]
.....
C.R.B. Taylor

Dated 19 DECEMBER 1991

2522271

THE COMPANIES ACT 1989
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

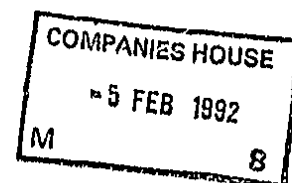
CALA HOMES (SOUTH) LIMITED

PRELIMINARY

- 1.1 Subject as hereinafter provided, the regulations contained in or made applicable by Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (hereinafter called "Table A") shall apply to the company but in the case of any variation or inconsistency between these Articles and Table A, these Articles shall prevail
- 1.2 References to regulations are to the regulations of Table A
- 1.3 In regulation 1 between the words "regulations" and "the Act" the words "and in any Articles adopting the same" shall be inserted

INTERPRETATION

- 2.1 After the definition "clear days" and before the definition "executed" there shall be inserted the following definitions:-
- 2.1.1 "company" means any body corporate or association of persons, whether or not a company within the meaning of the Act
- 2.1.2 "the Company" means Cala Homes (South) Limited
- 2.2 The word "writing" shall, where the context so admits, be construed as including printing, lithography, photography, and other modes of representing or reproducing words in a visible form



SHARE CAPITAL

The share capital of the Company at the adoption of these Articles is £100,000.00 shares of £1. each

SHARE WARRANTS TO BEARER

4. The Company shall not have power to issue share warrants to bearer

LIEN

5. In regulation 8 the words "(not being a fully paid share)" shall be omitted

TRANSFER OF SHARES

- 6.1 In regulation 23 the words "shall be in writing and" shall be inserted after the words "transfer of a share"
- 6.2 The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of a share, whether or not it is a fully paid share, and the first sentence of regulation 24 shall not apply to the Company
- 6.3 The Directors shall decline to register the transfer of a share, if as a result of such transfer, the number of members would exceed that permitted by Article 13 hereof
- 6.4 Unless and until the name of the transferee of any share is entered in the register of members, the transferor shall be deemed to remain the holder of that share

PURCHASE OF OWN SHARES

7. The Company shall not (except pursuant to a reduction of capital approved by the Court or pursuant to a redemption of redeemable shares in accordance with the Act) purchase or redeem the whole or

any part of the share capital of the Company, and accordingly regulation 15 shall not apply

GENERAL MEETINGS

2. In regulation 37 the words "or any member" shall be deleted and replaced by the words "any two members"

NOTICE OF GENERAL MEETINGS

3. The notice convening a meeting to consider a special resolution shall specify the intention to propose the resolution as a special or extraordinary resolution, as the case may be

PROCEEDINGS AT GENERAL MEETINGS

- 10.1 The ordinary business of the annual general meeting shall be the declaration of dividends, the consideration of the accounts, balance sheets, and the reports of the Directors and Auditors, the election of Directors and the appointment of, and the fixing of the remuneration of, the Auditors.
- 10.2 No business at an Extraordinary General Meeting nor ordinary business at an Annual General Meeting, may be transacted, unless due notice of such business has been given.
- 10.3 If within fifteen minutes from the time appointed for the meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting, if convened upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to 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 member or members present shall be a quorum and regulation 41 shall not apply
- 10.4 In regulation 45 the second sentence shall be deleted and replaced by the following sentence:-

"When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting."

10.5 In Regulation 46 .b), the words "by at least two members" shall be deleted and replaced by the following words, "by any member or members present"

10.6 If at any meeting any error shall be made in the counting of votes, whether by failure to count any vote which ought to have been counted or by counting votes which ought not to have been counted, the error shall not invalidate the result of voting, unless it be pointed out at the same meeting, and shall, in the opinion of the chairman be of sufficient magnitude to invalidate the result of the voting. If the chairman considers that the error is of sufficient magnitude, then the votes shall be re-counted.

VOTES OF MEMBERS

11.1 An instrument appointing a proxy shall be in writing in the usual or common form or in any other form which the Directors may approve and

(i) in the case of an individual shall be signed by the appointor or his attorney;

(ii) in the case of a corporation shall be either given under its Common Seal or signed on its behalf by an attorney or a duly authorised officer of the corporation;

regulations 60 and 61 shall not apply

11.2 The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer. The signature on such instrument need not be witnessed.

11.3 A member entitled to attend and vote at a meeting of the Company shall be entitled to appoint more than one proxy to attend on the

same occasion and the proxy or proxies shall have the same powers to vote at a meeting of the Company as a member present in person.

REPRESENTATIVES OF CORPORATIONS

12. Any corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member

NUMBER OF MEMBERS

13. The number of members of the Company (exclusive of (a) persons who are at the same time both members of the Company and in the employment of the Company and (b) persons who were at the same time both members of the Company and in the employment of the Company and who have continued after the determination of such employment to be members of the Company) is limited to 50 provided that where two or more persons hold one or more shares in the Company jointly they shall for the purpose of this Article be treated as a single member

NUMBER OF DIRECTORS

14. Until otherwise determined by the Company in general meeting, there shall be no maximum number of Directors but the minimum number of Directors shall be one and regulation 64 shall not apply. In the event of the minimum number of Directors fixed by or pursuant to these Articles being one, such Director shall have authority to exercise all the powers and discretions vested in the Directors generally and Regulation 70 shall be modified accordingly.

ALTERNATE DIRECTORS

- 15.1 In Regulation 66 at the end of the first sentence, the following words shall be included, "save that the appointor of an alternate director may direct the payment to the alternate director of part or

all of the remuneration which would otherwise be payable to the appointor"

15.2 In regulation 67 the words "but, if a Director after his reappointment" shall not apply

15.3 An alternate director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being but shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote

POWERS OF DIRECTORS

16 The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof without limit and, subject to Section 80 of the Act, 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

APPOINTMENT AND RETIREMENT OF DIRECTORS

17.1 Regulations 73 to 80 inclusive shall not apply

17.2 The Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director

17.3 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors

17.4 No appointment of any person as Director shall have effect unless and until his consent to act as Director shall have been received at the Company's registered office

- 17.5 Section 173 of the Act shall not apply to the Company and a person shall be capable of being appointed and continuing to hold office as a Director notwithstanding that he has attained the age of 70 or any other age and no special notice shall be required in relation to his appointment

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 18.1 The office of Director shall be vacated in the circumstances set out in regulation 81 save that sub-regulations (c) and (e) shall not apply
- 18.2 In addition to the circumstances set out in regulation 81 the office of Director shall be vacated if the Director becomes of unsound mind

REMUNERATION OF DIRECTORS

19. Any Director who, being so requested by the Directors, performs special or extraordinary services on behalf of the Company or who travels or resides outside the United Kingdom for the purpose of discharging his duties may be paid such extra remuneration (whether by way of lump sum, salary, commission, participation in profits or otherwise) as the Directors may determine

DIRECTORS' APPOINTMENTS AND INTERESTS

- 20.1 Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any interest of his, a Director notwithstanding his office shall be entitled to vote in respect of any contract or arrangement in which he is directly or indirectly interested including in particular, the appointment of himself or any other Director to any office or place of profit under the Company and the terms of any such appointment, and to be counted in reckoning whether a quorum is present at any meeting whereat any such matter is considered or decided
- 20.2 If a matter was entered into or the proposed matter was considered before the Director was appointed or elected, the declaration

required to be given under Section 317 of the Act shall be made at the first meeting of the Directors following his appointment or election or if he was not then aware of the existence of the matter or proposed matter at the next meeting following his becoming so aware

20.3 Regulations 85 and 86 shall not apply

DIRECTORS' GRATUITIES AND PENSIONS

21.1 The Directors may grant retirement pensions or annuities or other gratuities or allowances including allowances on death to any person or to the widow of or dependants of any person in respect of services rendered by him to the Company whether directly in any office or employment under the Company or indirectly as an officer or an employee of any subsidiary of the Company, notwithstanding that he may be or may have been a Director of the Company, and the Company may make payments towards insurances or trusts for such purposes in respect of such person or generally for the benefit of such persons or their family or estate and may include rights in respect of such pensions, annuities and allowances in the terms of engagement of any such person. A Director shall not be accountable by reason of his office for any benefit received by him from the exercise of this power

21.2 Regulation 87 shall not apply

PROCEEDINGS OF DIRECTORS

22. Regulations 94-98 inclusive shall not apply

SECRETARY

23. The Directors may from time to time appoint an assistant or a deputy secretary to exercise the functions of the Secretary and any person so appointed may be removed by them. Any act done by any person while so appointed shall be as valid and effectual as if it had been done by the Secretary and in person

THE SEAL

14. The Company may exercise the powers conferred by Section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Directors

ACCOUNTS

15. The Directors shall on reasonable notice being given make the books of account and all other documents relating to the affairs of the Company available for inspection by or on behalf of the Company's holding company as defined by Section 736 of the Act

INDEMNITY AND INSURANCE

16. Every Director or other officer of the Company shall insofar as the provisions of this Article are not avoided by the Section 310 be indemnified out of the assets of the Company against all losses or liabilities which in such capacity 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 judgment 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 and the Company may purchase and thereafter maintain for every Director or other officer of the Company insurance against such liability

Regulation 118 shall not apply

APPOINTMENT AND REMOVAL OF DIRECTORS

27.

27.1 Any person may be appointed a director or any director may be removed from office:-

27.1.1 by notice in writing of such appointment or removal, given to the Company by the holder or holders of a majority in nominal value of such of the issued share capital for the time being of the Company as carries the right of attending and voting at general meetings of the Company, and signed by such holder or holders or, in the case of a holder which is a corporation, signed by any director or the secretary of the corporation, and left at or sent to the registered office; or

27.1.2 by ordinary resolution of the Company in general meeting and without the need to give special notice of such resolution under section 379 of the Act.

27.2 Every such appointment or removal by notice shall take effect on and from the date on which the same is left or received at the registered office or (as the case may be) on and from such earlier date on which an intimation by telex or cable is received at the registered office to the effect that such notice of appointment or removal has been signed and sent to the registered office.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

CHRISTOPHER ROBERT BENJAMIN TAYLOR

75 Bridge Road

East Molesey

Surrey

Timothy Hill

TIMOTHY HILL

76 Bridge Road

East Molesey

Surrey

DATED this 4th day of July 1990

WITNESS to the above signatures:

Peter Birkett

PETER BIRKETT

76 Bridge Road

East Molesey

Surrey

SOLICITOR

COMPANY NO: 2522271

THE COMPANIES ACT 1985, SECTION 250

SPECIAL RESOLUTION OF

CALA HOMES (SOUTH) LIMITED

AT A GENERAL MEETING OF THE ABOVE-NAMED COMPANY HELD ON THE 15TH
FEBRUARY 1994

THE FOLLOWING SPECIAL RESOLUTION WAS DULY PASSED:-

The accounts of the company for the financial year ending 30th June 1993 having been sent out in accordance with Section 238 of the Companies Act 1985, and the company, having been dormant since the end of that year, resolves to make itself exempt from the provisions of Part VII of the Companies Act 1985 relating to the audit of accounts and from the obligation to appoint auditors.


SIGNED A.J. KELLEY (DIRECTOR)

15th February 1994
DATE 15TH FEBRUARY 1994

