

THE COMPANIES ACT 1985

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
(as amended by Special Resolutions
passed on 29 July 1998 and 7 November 2000)

- of -

REDHILL AERODROME VENTURES LIMITED



INTRODUCTORY

- 1.1 The Regulations contained or incorporated in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 as amended by The Companies (Tables A to F) Amendment Regulations 1985 (hereinafter called "Table A") shall apply to the Company, save insofar as they are varied or excluded by or are inconsistent with the following Articles.
- 1.2 In Regulation 1 of Table A, the words "and in Articles of Association adopting the same", shall be inserted after the word "regulations" in the last paragraph of that Regulation and the sentence "Any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force,, shall be inserted at the end of that Regulation.
- 1.3 Regulations 8, 40, 62, 73 to 77 (inclusive), 80, 90, 94 to 98 (inclusive) and 118 of Table A shall not apply to the Company.

SHARE CAPITAL

- 2 The share capital of the Company is £1,000 divided into 1,000 Ordinary Shares of £1 each.*
- 3 The provisions of sections 89(1) and 90(1) to (6) of the Act shall not apply to the Company.

* Note: 1. On 31 July 1991 the share capital was increased to £5,500,000 by the creation of 5,499,000 Ordinary Shares of £1 each.

2. On 1 October 1992 the share capital was increased to £5,750,000 by the creation of 250,000 Ordinary Shares of £1 each.

LIEN

- 4 The Company shall have a first and paramount lien on every share (whether or not fully paid) for all and any indebtedness of any holder thereof to the Company (whether a sole holder or one of two or more joint holders), whether or not such indebtedness or liability is in respect of the shares concerned and whether or not it is presently payable.

TRANSFER OF SHARES

- 5 The Directors may, in their absolute discretion and without giving any reason, refuse to register the transfer of any share in the capital of the Company, whether fully or partly paid. In its application to the Company, Regulation 24 of Table A shall be modified by the deletion of the first sentence.

GENERAL MEETINGS

- 6 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. One member holding more than one half in nominal value of the issued ordinary share capital of the Company for the time being and present in person or by proxy or representative shall constitute a quorum and shall be deemed for this purpose to constitute a valid meeting but, save in such a case, two members present in person or by proxy or representative shall be a quorum.

- 7 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:-

- (a) be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the Chairman or to the Secretary or to any Director; or
- (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the Chairman or to the Secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the Secretary or to any Director or scrutineer

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

DIRECTORS

- 8 In its application to the Company, Regulation 64 of Table A shall be modified by the deletion of the word "two" and the substitution of the word "one".

- 9.1 In its application to the Company, Regulation 78 of Table A shall be modified by the deletion of the words "... and may also determine the rotation in which any additional Directors are to retire".
- 9.2 In its application to the Company, Regulation 79 of Table A shall be modified by the deletion of the second and third sentences.
- 9.3 In its application to the Company, Regulation 84 of Table A shall be modified by the deletion of the final sentence.
- 10 In its application to the Company, Regulation 84 of Table A shall be modified by the deletion of the third sentence.

PROCEEDINGS OF DIRECTORS

- 11 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, provided that if the number of Directors is less than the minimum number fixed by these Articles or by the Company in General Meeting from time to time, the continuing Directors or sole Director may act only for the purpose of filling vacancies or of calling a General Meeting. Whenever the minimum number of Directors shall be one, a sole Director shall have authority to exercise all powers and discretions vested in the Directors and, in its application to the Company, Regulation 89 of Table A shall be modified accordingly.
- 12 A Director may vote at a meeting of the Directors, and form part of a quorum present at that meeting, in relation to any matter in which he has, directly or indirectly, an interest or duty which conflicts or which may conflict with the interests of the Company, provided that he has previously disclosed the nature of such duty or interest to the Directors. The provisions of Regulation 86 of Table A shall be taken to apply equally to any disclosure to be made under the provisions of this Article.

EXECUTION OF DOCUMENTS

- 13 In its application to the Company, Regulation 101 of Table A shall be modified by the addition of the following sentence:-

"Any instrument expressed to be executed by the Company and signed by two Directors or one Director and the Secretary by the authority of the Directors or of a committee authorised by the Directors shall (to extent permitted by the Act) have effect as if executed by affixing the seal."

INDEMNITY

- 14 Subject to section 310 of the Act:-
- (a) every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation to his office, 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 144 or 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 otherwise in relation to his office;

- (b) the Directors may purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

TELEPHONE BOARD MEETINGS

- 15 Any Director who participates in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other Directors present at such meeting (whether in person or by alternate or by means of such type of communication device) to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by alternate or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.