

No. 3909608

Newington Village Mansions ~~FOR AND ON BEHALF OF~~

U-1

FILEX SERVICES LTD

THE COMPANIES ACT 1985

SIGNED BY DIRECTOR/SECRETARY

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

The following written resolutions were passed by the sole member of the Company on ~~14~~ February 2000 which would otherwise be required to be passed as special resolutions:

22.2.00

SPECIAL RESOLUTIONS

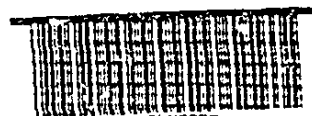
THAT:

1. New articles of association in the form contained in the draft articles of association attached to this written resolution and initialed by a director of the Company for the purposes of identification be accepted as the articles of association of the Company in substitution for and to the exclusion of all previous articles of association.
2. One existing issued ordinary share of £1 in the capital of the Company currently registered in the name of Rysbridge Estates Limited be and is hereby redesignated as an "A" Share of £1 having the rights set out in the articles of association of the Company as proposed to be adopted by Resolution 1 above.
3. One existing issued ordinary share of £1 in the capital of the Company currently registered in the name of Rysbridge Estates Limited be and is hereby redesignated as a "B" Share of £1 having the respective rights set out in the articles of association of the Company as proposed to be adopted by Resolution 1 above.
4. 100 existing issued ordinary shares of £1 each in the capital of the Company currently registered in the name of Rysbridge Estates Limited be and are hereby redesignated as:
 - 3 "C" ordinary shares of £1.00 each ("C" Ordinary Shares"),
 - 11 "D" ordinary shares of £1.00 each ("D" Ordinary Shares"),
 - 28 "E" ordinary shares of £1.00 each ("E" Ordinary Shares"),
 - 8 "F" ordinary shares of £1.00 each ("F" Ordinary Shares"),
 - 8 "G" ordinary shares of £1.00 each ("G" Ordinary Shares"),
 - 17 "H" ordinary shares of £1.00 each ("H" Ordinary Shares"), and
 - 25 "I" ordinary shares of £1.00 each ("I" Ordinary Shares")

each ranking pari passu in all respects and having the respective rights set out in the articles of association of the Company as proposed to be adopted by Resolution 1 above.

[Signature]
For and on behalf of
Rysbridge Estates Limited

Date *22.2.* February 2000



A11
COMPANIES HOUSE

0523
02/03/00

07-03-00

FOR ~~AND~~ ~~ON~~ ~~BEHALF~~ OF
FILEX SERVICES LTD
SIGNED BY DIRECTOR/SECRETARY

The Companies Acts 1985 and 1989

PRIVATE COMPANY LIMITED BY SHARES

New
Articles of Association
of

KENSINGTON VILLAGE MANAGEMENT LIMITED
(Adopted by special resolution passed on 22nd February 2000)

The Companies Acts 1985 and 1989

PRIVATE COMPANY LIMITED BY SHARES

New
Articles of Association

of

KENSINGTON VILLAGE MANAGEMENT LIMITED
(Adopted by special resolution passed on February 2000)

Preliminary

- 1.1 The Company is a private Company. The articles comprise these Articles and save insofar as it is modified by these Articles, Table A (which expression means that Table as prescribed by regulations made pursuant to the Companies Act 1985 and in force on the date of incorporation of the Company).
- 1.2 Regulations 2, 24, 50, 53, 54, 60, 61, 64-69 (inclusive), 72, 73-80 (inclusive), 81, 82, 87-101 and 110 in Table A do not apply to the Company. In the event of any conflict between these articles and the remaining Regulations in Table A these articles shall prevail.
- 1.3 In these Articles:

the "Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;

the "Articles" means the articles for the time being of the Company;

"A" Director" means a Director of the Company appointed by the holder of the "A" Share pursuant to Article 7.2(a);

"A" Share" means the A share of £1 in the capital of the Company;

"Abingdon House" means the buildings at the Estate known as Abingdon and the Estate Office and marked as such in the site plan attached as Schedule 1;

"Avon House" means the building at the Estate known as Avon and marked as such in the site plan attached as Schedule 1;

""B" Director" means a Director of the Company appointed by the holder of the "B" Share pursuant to Article 7.2(b);

"Beaumont House" means the building at the Estate known as Beaumont and marked as such in the site plan attached as Schedule 1;

""B" Share" means the B Share of £1 in the capital of the Company;

"Board" means the board of directors of the Company as constituted from time to time;

"Building" means a building on the Estate (including the curtilage of such building and (where applicable) any relevant car parking which is to be used solely by the owners occupiers or visitors to that building) that is let or designed or intended for letting or occupation otherwise than in connection with the provision of services to the Estate;

"clear days" means in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

""C" Director" means a Director of the Company appointed by the holder(s) of the "C" Ordinary Shares pursuant to Article 7.2(c);

""C" Ordinary Shares" means the C Ordinary Shares of £1 each in the capital of the Company;

"Company" means Kensington Village Management Limited;

""D" Director" means a Director of the Company appointed by the holder(s) of the "D" Ordinary Shares pursuant to Article 7.2(d);

""D" Ordinary Shares" means the D Ordinary Shares of £1 each in the capital of the Company;

""E" Director" means a Director of the Company appointed by the holder(s) of the "E" Ordinary Shares pursuant to article 7.2(e);

""E" Ordinary Shares" means the "E" Ordinary Shares of £1 in the capital of the Company;

"Estate" means the estate known as Kensington Village London W14 comprising the land which is registered at HM Land Registry under title number NGL 621514;

"executed" includes any mode of execution;

""F" Director" means a Director of the Company appointed by the holder(s) of the "F" Ordinary Shares pursuant to Article 7.2(f);

""F" Ordinary Shares" means the F Ordinary Shares of £1 each in the capital of the Company;

"G" Director" means a Director of the Company appointed by the holder(s) of the "G" Ordinary Shares pursuant to Article 7.2(g);

"G" Ordinary Shares" means the G Ordinary Shares of £1 each in the capital of the Company;

"Gloucester House" means the building at the Estate known, or to be known as, Gloucester and marked as such in the site plan attached as Schedule 1;

"H" Director" means a Director of the Company appointed by the holder(s) of the "H" Ordinary Shares pursuant to Article 7.2(h);

"H" Ordinary Shares" means the H Ordinary Shares of £1 each in the capital of the Company;

"I" Director" means the Director of the Company appointed by the holder(s) of the "I" Ordinary Shares pursuant to Article 7.2(i);

"I" Ordinary Shares" means the I Ordinary Shares of £1 each in the capital of the Company;

"Lloyds" means Lloyds TSB Bank PLC as trustee of Schroder Exempt Property Unit Trust whose registered office is at 71 Lombard Street, London EC3P 3BS and its successor(s) in title;

"Marloes House" means the building at the Estate known as Marloes and marked as such in the site plan attached as Schedule 1;

"Net Internal Area" means the net internal area of any Building measured in accordance with the Code of Practice of the Royal Institution of Chartered Surveyors and the Incorporated Society of Valuers and Auctioneers (4th Edition dated January 1993);

"office" means the registered office for the time being of the Company;

"Option" means the option contained in an agreement dated [22-11-00] granted to the Company by Rysbridge to take a transfer of the Estate (other than the buildings known as Whiteley's Cottage);

"Ordinary Shares" means the C Ordinary Shares, the D Ordinary Shares, the E Ordinary Shares, the F Ordinary Shares, the G Ordinary Shares, the H Ordinary Shares and the I Ordinary Shares;

"Pembroke House" means the building at the Estate known, or to be known as, Pembroke and marked as such in the site plan attached as Schedule 1;

"Property Interest" means the freehold of a Building or a leasehold interest in a Building under a lease (including an underlease or sub-lease) granted initially at a premium for a term of not less than 50 years (or an interest replacing an interest

which was a Property Interest) Providing that an interest which is reversionary on another interest which itself is a Property Interest shall not be considered a Property Interest for so long as that other interest subsists;

the "Relevant Event" means completion and registration of the transfer of the Estate to the Company pursuant to the Option;

the "Relevant Proportion" means such portion of the class of Ordinary Shares in the capital of the Company as equates to the percentage of the Net Internal Area of the Property Interest of the Unitholder in Abingdon House, Avon House, Beaumont House, Gloucester House, Marloes House, Pembroke House or Warwick House (as the case may be) divided by the total Net Internal Area of that relevant Building (rounded down to the nearest whole figure);

"Rysbridge" means Rysbridge Estates Limited whose registered office is at 1 West Garden Place, Kendal Street, London W2 2AQ and its successors in title;

the "seal" means the common seal of the Company;

"Secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

"Shareholders Agreement" means the agreement executed on [22/02/00] between Lloyds, Rysbridge and the Company;

"Unitholder" means a person who has provided the Company with a certified copy of the transfer or grant to it of a Property Interest;

the "United Kingdom" means the United Kingdom of Great Britain and Northern Ireland;

"Warwick House" means the building at the Estate known, or to be known as, Warwick and marked as such in the site plan attached as Schedule I;

and "Writing" means written, or produced by any visible and non-transitory substitute for writing or partly one and partly the other.

- 1.4 In these Articles (except where the context otherwise require) words denoting the singular number shall include the plural number and vice versa; words denoting the masculine gender shall include the feminine gender; and a "person" includes a body of persons corporate or unincorporate.
- 1.5 Save as aforesaid any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
- 1.6 The headings in these Articles and the use of underlining are for convenience only and shall not affect the construction hereof.

Allotment and Transfer of Shares

- 2.1 The share capital of the Company at the date of the adoption of these Articles is £102 divided into 102 shares of £1.00 each of which :-

- (a) one share is designated an "A" share;
- (b) one share is designated a "B" share;
- (c) three shares are designated "C" Ordinary Shares;
- (d) eleven shares are designated "D" Ordinary Shares;
- (e) twenty eight shares are designated "E" Ordinary Shares;
- (f) eight shares are designated "F" Ordinary Shares;
- (g) eight shares are designated as "G" Ordinary Shares;
- (h) seventeen shares are designated as "H" Ordinary Shares; and
- (i) twenty-five shares are designated as "I" Ordinary Shares.

2.2 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 £102 (being the amount of the existing authorised share capital of the company at the date of adoption of the Articles) providing that this authority shall expire on the fifth anniversary of the adoption of these Articles of Association.

2.3 Upon a Unitholder becoming entitled to a Property Interest by assignment or original grant from Rysbridge (being the holder of the freehold thereof prior to the Relevant Event and the holder of the head leasehold interest therein following the Relevant Event):

- (a) in Gloucester House, Rysbridge shall be deemed to have served a transfer notice in respect of the Relevant Proportion of the "G" Ordinary Shares;
- (b) in Pembroke House, Rysbridge shall be deemed to have served a transfer notice in respect of the Relevant Proportion of the "H" Ordinary Shares;
- (c) in Warwick House, Rysbridge shall be deemed to have served a transfer notice in respect of the Relevant Proportion of the "I" Ordinary Shares.

2.4 Upon a Unitholder becoming entitled to a Property Interest by assignment or by original grant from Lloyds being the holder of the head leasehold interest therein:

- (a) in Abingdon House, Lloyds shall be deemed to have served a transfer notice in respect of the Relevant Proportion of the "C" Ordinary Shares;
- (b) in Avon House, Lloyds shall be deemed to have served a transfer notice in respect of the Relevant Proportion of the "D" Ordinary Shares;
- (c) in Beaumont House, Lloyds shall be deemed to have served a transfer notice in respect of the Relevant Proportion of the "E" Ordinary Shares;
- (d) in Marloes House, Lloyds shall be deemed to have served a transfer notice in

respect of the Relevant Proportion of the "F" Ordinary Shares.

- 2.5 Where two or more persons jointly fall within the definition of Unitholder in respect of the same Property Interest, they shall together constitute one Unitholder and the first named of them in the document conferring or evidencing the Property Interest shall be registered as the member of the Company in respect of that Property Interest.
- 2.6 If any member of the Company who is a Unitholder ceases to hold a Property Interest or has acted in such a way as to bring the forfeiture provisions in the headlease of the Building of which they are the Unitholder into effect or creates or grants a derivative Property Interest out of its Property Interest or if his interest therein for any reason ceases and determines, he or, in the event of his death, his legal personal representative, or in the event of his bankruptcy, his trustee in bankruptcy shall be deemed to have given a transfer notice in respect of such number of Ordinary Shares of the class in respect of which he is registered as a member of the Company as equates to the Relevant Proportion attributable to the Property interest transferred, forfeited or created in favour of the person or persons who becomes the Unitholder or Unitholders in respect of that Property Interest or, as applicable, to the person who holds the interest which is reversionary to it and which thereby becomes a Property Interest. In the event of a member having ceased to hold any Property Interest yet still holding Ordinary Shares of a particular class in the Company he shall be deemed to have given a transfer notice in respect of his residual holding in favour of the person to whom he last transferred that class of Ordinary Shares (or, if there is no such person, to the person holding the Property Interest to which the last Property Interest which he held was reversionary). In the event that the foregoing provisions of this Article 2.6 give rise to a transfer notice in favour of the Company then the relevant number of Ordinary Shares shall be transferred, for nil consideration, to either the Company or its nominee, who shall hold the said Ordinary Shares on trust for the person or persons who subsequently become the Unitholder or Unitholders in respect of the Property Interest which has been forfeited or failing the identification of such a person or persons on trust for all other holders of Ordinary Shares.
- 2.7 The special rights attached to the "A" Share are as follows. Until the occurrence of the Relevant Event the "A" Share shall entitle the holder thereof to such number of votes in general meeting as is equal to nine times the number of votes attaching to the whole of the issued Ordinary Shares on a resolution to register the transfer of the "A" Share, or any "G" Ordinary Shares, "H" Ordinary Shares, or "I" Ordinary Shares and to appoint an "A" Director in accordance with Article 7.2(a) and; no dividends shall be paid by the Company prior to the occurrence of the Relevant Event without the consent of the holder of the "A" Share. Upon the occurrence of the Relevant Event, the "A" Share shall cease to have any entitlement to dividend, to vote at general meeting of the Company, to appoint an "A" Director (whose appointment shall be deemed to have been revoked forthwith on the occurrence of the Relevant Event and who shall then cease to be directors of the Company). On a winding up the "A" Share shall entitle the holder thereof to receive the nominal amount paid up on the "A" Share pari passu with the Ordinary Shares but not to participate in any surplus. The "A" Share shall be redeemable by the Company at its nominal value at any time after the occurrence of the Relevant Event in accordance with the provisions of the Act.

- 2.8 The special rights attached to the "B" Share are as follows. Until the occurrence of the Relevant Event the "B" Share shall entitle the holder thereof to such number of votes in general meeting as is equal to nine times the number of votes attaching to the whole of the issued Ordinary Shares on a resolution on any matter relating to the Option and to appoint a "B" Director in accordance with Article 7.2(b)(i) and: no dividends shall be paid by the Company prior to the occurrence of the Relevant Event without the consent of the holder of the "B" Share. The "B" Director is authorised to act alone and to do all such actions or documents as may be necessary to exercise all of the Company's rights pursuant to the Option. Upon the occurrence of the Relevant Event, the "B" Share shall cease to have any entitlement to dividend, to vote at general meeting of the Company or to appoint a "B" Director (whose appointment shall be deemed to have been revoked forthwith on the occurrence of the Relevant Event and who shall then cease to be a director of the Company). On a winding up the "B" Share shall entitle the holder thereof to receive the nominal amount paid up on the "B" Share *pari passu* with the Ordinary Shares but not to participate in any surplus. The "B" Share shall be redeemable by the Company at its nominal value at any time after the occurrence of the Relevant Event in accordance with the provisions of the Act.
- 2.9 It shall be the obligation of the person creating or transferring a Property Interest or the person deemed to have served a transfer notice pursuant to Article 2.3 or 2.4 (if applicable) to furnish the Company with a duly stamped stock transfer form or other acceptable deed of transfer of the Ordinary Shares of the class that are to be transferred under this Article and by becoming a member of the Company each member irrevocably appoints the Company its lawful attorney to execute the relevant stock transfer forms or other deed of transfer on its behalf. The Company shall be entitled to pay any stamp duty payable on such transfer and recover the same as a debt due from the transferor. Ordinary Shares of any class shall, unless the transferor and the transferee otherwise agree, be transferred at their nominal value only and no transfer of such shares shall be permitted except in accordance with this Article. No transfer of the "A" Share shall be permitted except to a person acquiring the whole of the freehold interest in the Estate (or if the freehold is disposed of in lots, to a person acquiring the last such lot to be disposed of) and no transfer of the "B" Share shall be permitted except to a person acquiring all of the leasehold interests in that part of the Estate held by Lloyds at the date of adoption of these articles (or, if those leasehold interests are disposed of in lots, to the person acquiring the last such lot to be disposed of).
- 2.10 If a member shall die or be adjudged bankrupt, his legal personal representative or representatives or the trustee in his bankruptcy shall be entitled to be registered as a member of the Company, provided he or they shall for the time being be the Unitholder.
- 2.11 No share (other than the "A" Share and the "B" Share) shall be allotted or transferred to any person who is not a subscriber to the Memorandum and Articles of Association of the Company or an Unitholder or the Company or its nominee.
- 2.12 Section 89(1) of the Act shall not apply to any allotment of shares in the Company.
- 2.13 The Directors shall refuse to register any transfer of shares which would contravene the provisions of Article 2.

General Meetings

- 3.1 All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- 3.2 The Directors may call Extraordinary General Meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an Extraordinary General Meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to form a quorum of a meeting of the Directors, any single Director may call a General Meeting.

Proceedings At General Meetings

- 4.1 No business shall be transacted at any General Meeting unless a quorum is present. The quorum for a General Meeting shall be such number of members (or proxies for members or duly appointed representatives of corporate members) as hold more than 50% of the total number of votes capable of being cast (or as otherwise agreed in writing by all the shareholders of the Company) provided that until the Relevant Event no General Meeting shall be quorate unless:
 - (a) in relation to the registration of transfers in respect of the "A" Share or any "G" Ordinary Shares, "H" Ordinary Shares or "I" Ordinary Shares prior to the Relevant Event the holder of the "A" Share is present in person or by proxy; and
 - (b) in relation to any matter relating to the Option prior to the Relevant Event unless the holder of the "B" Share is present in person or by proxy.

Resolutions In Writing

- 5.1 Subject to the provisions of the Act, a resolution in writing signed by or on behalf of all the members of the Company entitled to receive notice of and attend and vote at a meeting of the Company (which resolution may consist of two or more documents in the like form signed by or on behalf of one or more of the said members) or a resolution to which every such member has signified his approval in writing or by facsimile, cable, telegram or telex shall be as valid and effectual as if it had been passed at a meeting of the Company duly called and constituted. In the case of a corporation any such signature or approval may be given or signified on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative. If the resolution in writing is described as a special resolution or as an extraordinary resolution it shall have effect accordingly.

Votes of Members

- 6.1 Subject to the special rights attaching to the "A" Share and the "B" Share on a show of hands each member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.

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- 6.2 If at any General Meeting any votes shall be counted which ought not to have been counted or which might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, and not in that case unless it shall, in the opinion of the Chairman of the meeting, be of sufficient magnitude to vitiate the result of the voting.
- 6.3 An instrument appointing a proxy may be in any usual or common form or any other form which the Directors may approve.

Appointment and Retirement of Directors

- 7.1 There shall be no maximum number of Directors and the minimum number of Directors at any time shall be two.
- 7.2 (a) Until the occurrence of the Relevant Event, the holder of the "A" Share shall have the right to appoint up to one person to be a Director as it thinks fit, such appointee being designated the "A" Director and to remove such person for any reason whatsoever and appoint another person in his or her place.
- (b) Until the occurrence of the Relevant Event, the holder of the "B" Share shall have the right to appoint up to one person to be a Director as it thinks fit, such appointee being designated the "B" Director and to remove such person for any reason whatsoever and to appoint another person in his or her place.
- (c) The holder of the "C" Ordinary Shares, or if more than one the holders of the "C" Ordinary Shares jointly (by a majority vote with each holder of a "C" Share being entitled to one vote for each "C" Ordinary Share it holds), shall be entitled to appoint up to one person to be a Director as they think fit, such appointee being designated the "C" Director, and to remove such person for any reason whatsoever and to appoint another person in his or her place.
- (d) The holder of the "D" Ordinary Shares, or if more than one the holders of the "D" Ordinary Shares jointly (by a majority vote with each holder of a "D" Ordinary Share entitled to one vote for each "D" Ordinary Share it holds), shall be entitled to appoint up to one person to be a Director as they think fit, such appointee being designated the "D" Director, and to remove such person for any reason whatsoever and to appoint another person in his or her place.
- (e) The holder of the "E" Ordinary Shares, or if more than one the holders of the "E" Ordinary Shares jointly (by a majority vote with each holder of a "E" Ordinary Share entitled to one vote for each "E" Ordinary Shares it holds) shall be entitled to appoint up to one person to be a Director as they think fit, such appointee being designated the "E" Director, and to remove such person for any reason whatsoever and to appoint another person in his or her place.
- (f) The holder of the "F" Ordinary Shares, or if more than one the holders of the "F" Ordinary Shares jointly (by a majority vote with each holder of a "F"

Ordinary Share entitled to one vote for each "F" Ordinary Share it holds), shall be entitled to appoint up to one person to be a Director as they think fit, such appointee being designated the "F" Director, and to remove such person for any reason whatsoever and to appoint another person in his or her place.

- (g) The holder of the "G" Ordinary Shares, or if more than one the holders of the "G" Ordinary Shares jointly (by a majority vote with each holder of a "G" Ordinary Share entitled to one vote for each "G" Ordinary Share it holds), shall be entitled to appoint up to one person to be a Director as they think fit, such appointee being designated the "G" Director, and to remove such person for any reason whatsoever and to appoint another person in his or her place.
 - (h) The holder of the "H" Ordinary Shares, or if more than one the holders of the "H" Ordinary Shares jointly (by a majority vote with each holder of a "H" Ordinary Share entitled to one vote for each "H" Ordinary Share it holds), shall be entitled to appoint up to one person to be a Director as they think fit, such appointee being designated the "H" Director, and to remove such person for any reason whatsoever and to appoint another person in his or her place.
 - (i) The holder of the "I" Ordinary Shares, or if more than one the holders of the "I" Ordinary Shares jointly (by a majority vote with each holders of an "I" Ordinary Share entitled to one vote for each "I" Ordinary Share which it holds) shall be entitled to appoint up to one person to be a Director as they think fit, such appointee being designated the "I" Director, and to remove such person or persons for any reason whatsoever and to appoint another person in his or her place.
 - (j) The Company in general meeting shall have no power to appoint or (except as provided in the Act) remove Directors except that if less than the minimum number of Directors is appointed pursuant to these Articles, the Company may by ordinary resolution appoint any person or persons to be Directors.
- 7.3 Each appointment and removal pursuant to Article 7.2(a)-(i) inclusive shall be made by notice in writing and shall take effect as from the time the notice is delivered at the office or produced to a meeting of the Directors, whichever is the earlier. Nothing shall prevent the same person being nominated as a Director by more than one class of shares in which case that person shall have the aggregate voting rights corresponding to the number of shares in each class which appointed him (in accordance with Articles 16.3).
- 7.4 Each "A" Director and "B" Director shall cease to be a director forthwith upon the occurrence of the Relevant Event. If as a result of such cessation or otherwise, the number of Directors in office falls below the minimum number the Company shall take steps to ensure that an additional Director is appointed.
- 7.5 In the event that a resolution is proposed to remove any Director appointed pursuant to Article 7.2(a)-7.2(i) inclusive, if the member(s) who appointed him shall still be members of the Company they shall between them be entitled to such number of votes as equals 51% of the votes entitled to be cast on the resolution at the general meeting convened for the purpose or for purposes including that purpose.
- 7.6 None of the Directors shall be subject to retirement by rotation.

- 7.7 There shall be no retiring age for Directors, and s 293 of the Act shall not, if otherwise applicable, apply to the Company.

Alternate Directors

- 8.1 Each Director shall have the power at any time to appoint any person (including another Director) to be an alternate Director and at any time may terminate such appointment. Every such appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.
- 8.2 An alternate Director so appointed shall be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be deemed for all purposes to be a Director of the Company and shall alone be responsible for his own acts and defaults and shall not be deemed to be an agent of his appointor.
- 8.3 An alternate Director shall (subject to his giving to the Company an address at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a member and to attend and vote as a Director at any meeting at which his appointor is not personally present and generally in the absence of his appointor to exercise all functions, rights, powers and duties as a Director of his appointor and to receive notice of all General Meetings.
- 8.4 The appointment of an alternate Director shall automatically determine upon the happening of any event which if he were a Director would cause him to vacate such office or upon his appointor ceasing for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting or upon the passing of a resolution of the Directors or an ordinary resolution of the Company in General Meeting to that effect.
- 8.5 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors to one vote for every vote of the Director whom he represents in addition to his own vote(s) (if any) as a Director.
- 8.6 A Director for the time being out of the United Kingdom shall not be entitled to notices of the meetings of the Directors but any alternate Director in the United Kingdom acting in his place shall be entitled to notices of such meetings.

Disqualification of Directors

- 9.1 The office of a Director shall be vacated:
- (a) if he ceases to be a Director by virtue of any provision of the Act or of these Articles or of any resolution duly passed pursuant to any such provision;
 - (b) if he becomes bankrupt or enters into any arrangement or composition with his creditors generally;

- (c) if he becomes prohibited by law from being a Director;
- (d) if he becomes incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs;
- (e) if he resigns his office by notice in writing to the Company delivered to the Company at its registered office or tendered at a meeting of the Directors;
- (f) if having for more than six months been absent without permission of the Directors from meetings of the Directors held during that period the Directors shall resolve that he has by reason of such absence vacated office; or
- (g) in the case of the "A" Director, on the happening of the Relevant Event;
- (h) in the case of the "B" Director, on the happening of the Relevant Event.

Remuneration of Directors

10. The Directors shall not be entitled to any remuneration unless the Company by special resolution may determine otherwise.

Directors' Expenses

11. The Directors shall not be entitled to any travelling, hotel or other expenses unless the Company by special resolution may determine otherwise.

Powers of Directors

- 12.1 Subject to the provisions of the Act, the Memorandum and the Articles of Association of the Company, and to any directions given by the Company by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all of the powers exercisable by the Directors.
- 12.2 The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

Matters Requiring Approval of Members

- 13.1 Save where it is contemplated by the terms of a relevant budget adopted by the Company in accordance with the Shareholders Agreement, any decision of the Directors relating to any of the following matters shall be subject to the approval of the Company by special resolution passed at a General Meeting:

- (a) borrowing or giving any guarantee, indemnity or similar assurance or mortgaging, charging the Company's undertaking, property or assets (present and future), issuing debentures or other securities whether outright or as collateral security for any debt, liability or obligation of the Company or any third party in any sum or sums in aggregate in excess of £100,000 or such greater amount as the Company may determine by special resolution.
- (b) capital expenditure by the Company in excess of £100,000 on any one capital item in any one accounting year of the Company.

Borrowing Powers

14. Subject to the limit as to the amount specified in Article 13 the Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or other security over its undertaking, property or any part thereof, and, subject to the provisions 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.

Directors' Interests

- 15.1 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:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- (b) may be a Director or other officer of, or be a partner of or employed by, or a party to any transaction or arrangement with, or otherwise interested in, a partnership or body corporate promoted by the Company or in which the Company is otherwise interested; and
- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such partnership or body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

- 15.2 For the purposes of Article 15.1:

- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

- 15.3 Provided he is not for another reason precluded from voting a Director may 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 shall 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.
- 15.4 Provided he is not for another reason precluded from voting where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

Proceedings of Directors

- 16.1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors upon giving at least 48 hours written notice to each of the Directors. Questions arising at a meeting shall be decided by a majority of votes. The Chairman shall not have a second or casting vote. A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote. Any one or more (including, without limitation, all) of the Directors, may participate in a meeting of the Directors by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Such meeting shall be deemed to have occurred at the place where most of the Directors participating are present or, if there is no such place, where the Chairman of the meeting is present.
- 16.2 Subject to Article 16.4, the quorum for the transaction of the business of the Directors shall be such number of Directors as hold more than 50% of the total number of votes capable of being cast (or as otherwise agreed in writing by all the shareholders of the Company). A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum.
- 16.3 Subject to Article 16.4, at a meeting of the Directors each "C", "D", "E", "F", "G", "H", and "I" Director present shall be entitled to such number of votes as equals the number of Ordinary Shares held by his appointor and each "A" Director and "B" Director shall have one vote. A director with more than one vote shall not be bound to exercise all his voting rights, nor to exercise them all in the same direction.
- 16.4 At any meeting of the Directors held prior to the occurrence of the Relevant Event:
- (a) on a resolution to register a transfer of the "A" Shares or any "G" Ordinary Shares, "H" Ordinary Shares or "I" Ordinary Shares the "A" Director shall have a number of votes equal to the number of other Directors entitled to vote on the issue plus one; and no such meeting shall be quorate unless the "A" Director is present; and
 - (b) on a resolution on any matter relating to the Option the "B" Director shall have

such number of votes as is equal to the number of the votes of the other Directors entitled to vote on the issue plus one and no such meeting shall be quorate unless the "B" Director is present.

- 16.5 The continuing Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed, the continuing Director may act only for the purpose of filling vacancies or of calling a General Meeting.
- 16.6 The Directors may appoint one of their number to be the Chairman of the Board of Directors and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within twenty minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be Chairman of the meeting.
- 16.7 All acts done by a meeting of Directors or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 16.8 A resolution in writing signed by all the Directors entitled to notice of a meeting of the Directors for the time being (which resolution may consist of two or more documents in the like form each signed by one or more of the said Directors) or a resolution to which every such Director has signified his approval in writing or by telephonic facsimile transmission, cable, telegram or telex shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. For the purposes of this Article the signature or approval of an alternate Director (if any) entitled to notice of a meeting of Directors shall suffice in lieu of the signature of the Director appointing him.
- 16.9 If a question arises at a meeting of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the Chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.

Minutes

17. The Directors shall cause minutes to be made in books kept for the purpose:
 - (a) of all appointments of officers made by the Directors; and
 - (b) of all proceedings at meetings of the Company and of the Directors, including the names of the Directors present at each such meeting.

Information

18. The Directors may at any time require any person whose name is contained in the Register of members of the Company to furnish them with any information, supported

(if the Directors so require) by a statutory declaration, which they consider necessary for determining whether the person is entitled to remain a member.

Secretary

19. Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them. The Secretary must be removed and replaced at the time of the Relevant Event.

The Seal

20. The seal shall only be used by the authority of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director. Subject to the Act and any Articles made thereunder, a document signed by a Director and the Secretary or by two Directors and expressed (in whatever form of words) to be executed by the Company shall have the same effect as if executed under seal.

Accounts

21. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the Directors or by ordinary resolution of the Company.

Notices

- 22.1 Any notice to be given to or by any person pursuant to the Articles shall be in writing.
- 22.2 The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.
- 22.3 A member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 22.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted first class shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of 24

hours after the envelope containing it was posted.

Indemnity

- 23.1 Subject to the provisions of and so far as may be permitted by the Act, every Director or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court and, subject to and so far as aforesaid, 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.
- 23.2 The Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or auditors of the Company against any such liability as is referred to in s 310(1) of the Act.

NAME AND ADDRESS OF SUBSCRIBER

Number and Class of Shares Taken by Subscriber

The subscriber to this memorandum of association wishes to be formed into a company in pursuance of this memorandum and agrees to take the number of shares in the capital of the Company set out below.

Rysbridge Estates Limited
1 West Garden Place
Kendal Street
London W2 2AQ

.....
for and on behalf of
Rysbridge Estates Limited

Total shares taken 102

Dated

WITNESS to the above signatures: