

FILE COPY



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

Company No. 4334057

The Registrar of Companies for England and Wales hereby certifies that

REGENDA LIMITED

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

Given at Manchester, the 4th December 2001



N04334057D

J Humphreys

J. HUMPHREYS

For The Registrar Of Companies



C O M P A N I E S H O U S E

PEAPOD SOLUTIONS LTD.

12

Please complete in typescript,
or in bold black capitals.

CHFP004

Declaration on application for registration

Company Name in full

REGENDA LIMITED

I, Mark Edward Rathbone

of The Gates, Church Street, Malpas, Cheshire SY14 8PD

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 of the Companies Act 1985]~~ and that all the requirements of the Companies Act 1985 in respect of the registration of the above company and of matters precedent and incidental to it have been complied with.

[†] Please delete as appropriate.

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

Declarant's signature

Declared at

LIVERPOOL

On Day Month Year
04 12 2001

^{*} Please print name.

before me ^{**}

REBECCA JANE SCOTT

Signed

Date

4/12/01.

[†] A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor

Please give the name, address, telephone number and, if available, a DX number and Exchange of the person Companies House should contact if there is any query.

TONY HARPER

BRABNERS, 1 DALE STREET, LIVERPOOL L2 2ET

Tel 0151 600 3000

DX number 14118

DX exchange LIVERPOOL



Form revised June 1998

When you have completed and signed the form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff for companies registered in England and Wales

or

Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB

for companies registered in Scotland

DX 235 Edinburgh
Peapod Solutions Ltd.

Please complete in typescript,
or in bold black capitals.

CHFP004

Notes on completion appear on final page

**First directors and secretary and intended situation of
registered office****Company Name in full**

REGENDA LIMITED

Proposed Registered Office

C/O BRABNERS

(PO Box numbers only, are not acceptable)

1 DALE STREET

Post town

LIVERPOOL

County / Region

MERSEYSIDE

Postcode

L2 2ET

If the memorandum is delivered by an
agent for the subscriber(s) of the
memorandum mark the box opposite and
give the agent's name and address.

☒

Agent's Name

BRABNERS

Address

1 DALE STREET

Post town

LIVERPOOL

County / Region

MERSEYSIDE

Postcode

L2 2ET

Number of continuation sheets attached

0

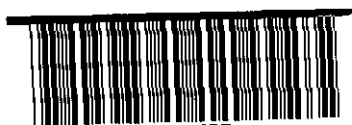
Please give the name, address,
telephone number and, if available,
a DX number and Exchange of the
person Companies House should
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TONY HARPER

BRABNERS, 1 DALE STREET, LIVERPOOL L2 2ET

DX number 14118

DX exchange LIVERPOOL

JMA
COMPANIES HOUSE

J8CJG6BT

0344
04/12/01

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Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB

for companies registered in Scotland

DX 235 Edinburgh
Peapod Solutions Ltd.

Company Secretary (see notes 1-5)

Company name

REGENDA LIMITED

NAME

*Style / Title

MR

*Honours etc

* Voluntary details

Forename(s)

ANTHONY JAMES

Surname

HARPER

Previous forename(s)

Previous surname(s)

Address

89 GRAPPENHALL ROAD

Usual residential address

For a corporation, give the registered or principal office address.

STOCKTON HEATH

Post town

WARRINGTON

County / Region

CHESHIRE

Postcode

WA4 2AR

Country

ENGLAND

I consent to act as secretary of the company named on page 1

Consent signature

Date

4.12.2001

Directors (see notes 1-5)

Please list directors in alphabetical order

NAME

*Style / Title

MR

*Honours etc

Forename(s)

ANTHONY JAMES

Surname

HARPER

Previous forename(s)

Previous surname(s)

Address

89 GRAPPENHALL ROAD

Usual residential address

For a corporation, give the registered or principal office address.

STOCKTON HEATH

Post town

WARRINGTON

County / Region

CHESHIRE

Postcode

WA4 2AR

Country

ENGLAND

Day Month Year

Date of birth

01

06

19

59

Nationality

BRITISH

Business occupation

SOLICITOR

Other directorships

THE STAHELIN PARTNERSHIP LIMITED

PARK HOUSE ESTATES LIMITED

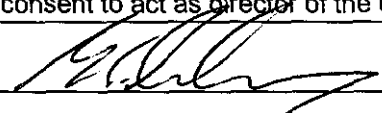
I consent to act as director of the company named on page 1


Consent signature

Date

4.12.2001

Directors (continued) (see notes 1-5)

NAME	*Style / Title	MR	*Honours etc	
Forename(s)	MARK EDWARD			
Surname	RATHBONE			
Previous forename(s)				
Previous surname(s)				
Address	THE GATES			
Usual residential address	CHURCH STREET			
<small>For a corporation, give the registered or principal office address.</small>	Post town	MALPAS		
	County / Region	CHESHIRE	Postcode	SY14 8PD
	Country	ENGLAND		
	Date of birth	Day 0 3	Month 0 4	Year 1 9 6 9
		Nationality BRITISH		
	Business occupation	SOLICITOR		
	Other directorships	THE LIVERPOOL QUEEN VICTORIA DISTRICT		
		NURSING ASSOCIATION		
	I consent to act as director of the company named on page 1			
	Consent signature			Date 4/12/01

This section must be signed by**Either****an agent on behalf
of all subscribers****Signed****Date**

4.12.2001

Or the subscribers**Signed****Date****(i.e. those who signed
as members on the
memorandum of
association).****Signed****Date****Signed****Date****Signed****Date****Signed****Date****Signed****Date**

MEMORANDUM AND ARTICLES OF ASSOCIATION

of

REGENDA LIMITED

Date of Incorporation

2001

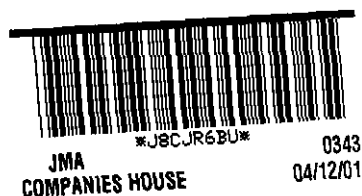
Registration Number:

**Brabners
Solicitors
1 Dale Street
Liverpool L2 2ET**

THE COMPANIES ACTS 1985 to 1989

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION



of

REGENDA LIMITED



1. Name

1.1 The company's name is "Regenda Limited" ("the Company").

2. Registered office

2.1 The Company's registered office is to be situated in England.

3. Objects

3.1 The Company's objects ("Objects") shall be: -

3.1.1 the business of providing housing, accommodation, and assistance to help house people and associated facilities and amenities;

3.1.2 urban and community regeneration; and

3.1.3 any other object that can be carried on from time to time by a body registered as a social landlord with the Housing Corporation or any successor body.

4. Powers

4.1 The Company shall have power to do anything lawful which is necessary or desirable to achieve any of the Objects. Without limiting the generality of this, in furtherance of the Objects but not otherwise the Company may exercise the powers set out in clauses 4.2, 4.3 and 4.4:-

4.2 General

4.2.1 Subject to such consents as may be required by law and compliance with all relevant binding guidance issued by the Company's regulators (if any) to purchase or otherwise acquire, or to encourage or promote or in any way support or aid the establishment and development of, any subsidiary and to subscribe, purchase or acquire in any other way any chose in action (including but without prejudice to the generality of the foregoing any stock, share, security, unit, debenture or debenture stock in each case

whether preferred or deferred, secured or unsecured) and to guarantee, indemnify and secure by mortgaging or charging all or any part of its assets the obligations and liabilities of, and to make available financial assistance or accommodation in any other way to, any such subsidiary or (to the extent permitted by law and the Company's regulators, if any) any other body corporate, unincorporated body, trust or individual and to acquire and hold all or any part of the capital (or otherwise become and remain a member) of any body corporate and to act as a holding company;

- 4.2.2 to provide general and business support services to the Group including computing and information technology, marketing, branding, customer service centre and general administrative functions;
- 4.2.3 to provide financial services and general financial advice to the Group including the preparation review and consolidation of business plans and financial budgets;
- 4.2.4 to acquire, construct, manage, alter, improve and (subject to such consents as may be required by law) to charge (including by way of floating charge) and to sell, or otherwise dispose of or deal with any property including without limitation residential properties, commercial properties, recreational facilities, gardens and open spaces and to provide services of all kinds for and assistance to bodies corporate, unincorporated bodies, trusts or individuals engaged in the provision or occupation of any property and associated amenities;
- 4.2.5 to coordinate and supervise the activities of the Group including (but not limited to) the functions of Group secretariat and Head Office for the Group, the setting of Group targets and objectives, development, business strategy and growth, values, finance, budgets, business plans, governance, information technology, public relations and human resources and to charge for such services and activities;
- 4.2.6 to audit, evaluate and monitor at all times the extent to which the Group members are achieving their respective targets, objectives, objects, business plans, budgets, governance and values;
- 4.2.7 to invest any monies of the Company not immediately required for the furtherance of the Objects in any investments, securities or property such investments to include but not be limited to stocks or shares or debentures of any body corporate and to hold, sell or otherwise deal with any investments made subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law;
- 4.2.8 subject to Clause 5 to employ or engage and to manage employees, consultants, managers, agents, advisers or others and whether on a paid or voluntary basis;
- 4.2.9 to give or award pensions, annuities, gratuities and superannuation or other allowances or benefits or charitable aid; to make payments towards insurance; and to set up, establish, support and maintain pension, superannuation and other funds or schemes (whether contributory or non-contributory) and generally to provide

advantages, facilities and services for any persons who are or have been employed by, or who are serving or have served the Company, or any associated company, or the predecessors in business of the Company or of any such associated company and for the benefit of the partners, husbands, wives, widowers, widows, children and other relatives and dependents of such persons;

- 4.2.10 to insure and arrange insurance cover for and to indemnify its members, employees and voluntary workers from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premium in relation to indemnity insurance in respect of any liability of its Board Members or any of them which would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in respect of the Company;
- 4.2.11 to enter into any contracts or arrangements with any persons or bodies including without prejudice to the above any company or body corporate or any international, national or local or other authority;
- 4.2.12 to co-operate with other bodies and statutory authorities in furtherance of the Objects or similar purposes and to exchange information and advice with them;
- 4.2.13 subject to such consents as may be required by law and compliance with all relevant binding guidance issued by the Company's regulators (if any), to establish, support, subscribe to, become a member of or amalgamate or co-operate with any other organisation, institution, society or body (whether incorporated or not and whether in Great Britain or Northern Ireland or elsewhere) whose objects are wholly or in part similar to those of the Company and to purchase or otherwise acquire and undertake all such parts of the property, assets, liabilities and engagements of any such organisation, institution, society or body as may lawfully be acquired or undertaken by the Company;
- 4.2.14 to raise funds and to invite and receive contributions PROVIDED THAT in raising funds the Company shall conform to any relevant statutory regulations;
- 4.2.15 to draw, make, accept, discount, endorse, negotiate, execute and issue promissory notes, bills of exchange, cheques and other instruments and to operate bank accounts in the name of the Company;
- 4.2.16 to make donations, grants and loans and give credit for any purpose to such persons and organisations and on such terms (with or without security) as the Company shall think fit to further the Objects;
- 4.2.17 to undertake and execute or manage any trusts which may lawfully be undertaken executed or managed by the Company;
- 4.2.18 to accept grants, subscriptions, donations, demises and bequests from any persons and to take and accept any gift of money, property or other assets whether subject to any

special trusts or not for any one or more of the Objects and deal with such property in accordance with this clause 4;

- 4.2.19 to promote, encourage or undertake any form of research or development relevant to the Objects or the objects of the Group and to publish and disseminate the results of such research;
- 4.2.20 to provide or assist in the provision of employment and training facilities;
- 4.2.21 to provide support and accommodation for any other organisation, institution, society or body whose objects are wholly or in part similar to the Objects;
- 4.2.22 to receive money on deposit subject to any statutory limits in force for the time being and any necessary authorisation under the Banking Act 1987;
- 4.2.23 to pay out of funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company.

4.3 Borrowing and Security

- 4.3.1 Subject to such consents as may be required by law to borrow or raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed or raised or owing by floating charge, mortgage, charge, lien or other security on the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, lien or security to secure and guarantee the performance by the Company or any of its subsidiaries of any obligation or liability it or they may undertake or which may become binding upon it or them.

4.4 Miscellaneous

- 4.4.1 To do all or any of the things or matters aforesaid either as principals, agents, contractors or otherwise and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others;
- 4.4.2 To do all such other things as in the opinion of the Company are or may be incidental or conducive to the attainment of the above objects or any of them;

AND it is hereby declared that:-

- 4.4.2.1 words or expressions defined in the Articles of Association of the Company shall have the same meaning herein
- 4.4.2.2 in this clause "company", except where used in reference to this Company, shall include any partnership or other body of persons, whether incorporated or not incorporated, and whether formed, incorporated, domiciled or resident in the United Kingdom or elsewhere, "person" shall include any company as

well as any other legal or natural person, words denoting the masculine gender shall include the feminine gender and vice versa, "subsidiary" and "holding company" shall include, respectively, "subsidiary undertaking" and "parent undertaking" in each case as defined in the Act, "securities" shall include any fully, partly or nil paid or no par value share, stock, unit, debenture, debenture or loan stock, deposit receipt, bill, note, warrant, coupon, right to subscribe or convert, or similar right or obligation, "and" and "or" shall mean "and/or" where the context so permits, and "other" and "otherwise" shall not be construed ejusdem generis where a wider construction is possible.

5. Application of assets

- 5.1 The income and property of the Company shall be applied solely towards the Objects. Nothing shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise in any circumstances to Members of the Company or its Board Members other than payments pursuant to the contract of employment of executive Board Members or its termination.
- 5.2 Notwithstanding clause 5.1, the Company may pay reasonable and proper out of pocket expenses to Members or Board Members of the Company, and such other payments and grant such benefits as may not be prohibited under Part I of Schedule I to the Housing Act 1996 and in response to any determinations or guidance by the Housing Corporation thereunder.
- 5.3 Without prejudice to the generality of clause 5.1 the Company shall not issue capital with interest or dividend exceeding the rate prescribed by the Treasury for the purposes of section 1(1) (b) of the Housing Associations Act 1985.

6. Limitation of liability

- 6.1 The liability of the Members is limited.

7. Guarantee

- 7.1 Every Member undertakes to contribute an amount not exceeding £1 to the assets of the Company, in the event of it being wound up while he or she is a Member or within one year after he or she has been a Member.
- 7.2 Such contribution shall be towards:
 - 7.2.1 the debts and liabilities of the Company contracted before he or she ceases to be a member;
 - 7.2.2 the costs, charges and expenses of winding up; and
 - 7.2.3 the adjustment of the rights of the Members amongst themselves.

8. Dissolution

8.1 Subject to any requirements of the Housing Corporation or any contractual requirements:

8.1.1 the Members may resolve to give or transfer any property that remains after the Company is wound up or dissolved to another body with objects which are wholly or in part similar to the Objects or

8.1.2 if no such body exists or no such resolution is passed the property shall be transferred or given to a registered social landlord or other body with objects which are wholly or in part similar to those of the Company or if no such body exists, to Heartlands and Marine Charitable Housing Association Limited or the Housing Association's Charitable Trust.

We the persons whose names and addresses are written below wish to be formed into a company under this Memorandum of Association; and undertake in the manner set out in Clause 7 of this Memorandum of Association in the amount set out below.

NAME AND ADDRESS OF SUBSCRIBER

AMOUNT OF GUARANTEE


Anthony James Harper

£1

Brabners
1 Dale Street
Liverpool L2 2ET


Mark Rathbone

£1

Brabners
1 Dale Street
Liverpool L2 2ET

DATED this 4th day of December 2001

WITNESS to the above Signatures: -

J.M. Eccles
1 Dale Street
Liverpool
L2 2ET

THE COMPANIES ACTS 1985 to 1989

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

**ARTICLES OF ASSOCIATION
of
REGENDA LIMITED**

DEFINITIONS AND INTERPRETATION

1. In these Articles unless the context otherwise requires:

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

the "Articles" means these Articles of Association as originally adopted or as altered from time to time and references to numbered articles are references to the relevant paragraph of the Articles;

"Board" means the board of Board Members of the Company or, where the context admits, the Board Members present at a meeting of the Board Members, or of a committee of the Board Members, at which a quorum is present;

"Board Members" means the members of the board of directors of the Company and **"Board Member"** has a corresponding meaning;

"Chairman" means any Chairman of the Company appointed in accordance with Articles 83 to 86;

"Company" means the company intended to be regulated by these Articles;

"Corporate Member" means any Member which is a body corporate;

"Corporation" means the Housing Corporation or the Secretary of State for Wales as relevant;

"Group" means the Company and the Subsidiaries of the Company;

"Group Organisation" means the Company and/or each Subsidiary of the Company;

"Member" means any person who is admitted to membership of the Company in accordance with the provisions of these Articles;

"Memorandum" means the memorandum of association of the Company;

"Office" means the registered office of the Company;

"Officer" includes the Chairman, treasurer and secretary and any other persons appointed under Article 99;

"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 an alternate, joint, assistant or deputy secretary;

"Subsidiary" means a body corporate which is a subsidiary (within the meaning of section 736 Companies Act 1985) of the Company;

"Tenant" means a person who alone or jointly with others holds a tenancy, lease or licence to occupy the premises of any Group Organisation registered as a social landlord for residential use;

"the United Kingdom" means Great Britain and Northern Ireland.

2. 2.1 Unless the context otherwise requires, words or expressions contained in any provision of these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
- 2.2 In these Articles words importing individuals shall, unless the context otherwise requires, include corporations and words importing the singular number shall include the plural, and words importing the masculine gender only shall include the female gender and vice versa.
- 2.3 No model articles of association or regulations set out in the Companies Acts or in any statutory instrument or order made thereunder shall apply to the Company.

MEMBERSHIP

3. A Member of the Company is a person whose name and address is entered in the register of Members.
4. The following persons shall be Members:-
 - 4.1 all Board Members of the Company (other than co-optees and employees of the Company); and
 - 4.2 all Subsidiaries of the Company .

5. 5.1 Each person specified in Article 4.1 shall become a Member forthwith on delivery to the Secretary of a signed acceptance to undertake the obligations of a Board Member of the Company.
- 5.2 Each Subsidiary shall become a Member forthwith upon it becoming a subsidiary of the Company.
- 5.3 Upon any person becoming a Member pursuant to Clause 5.1 or 5.2 the Secretary shall thereupon enter his or her or its name in the register of Members.

OBLIGATIONS OF MEMBERS

6. All Members agree to be bound by the obligations on them set out in these Articles and when acting as Members to act at all times in the interests of the Company as guardians of the objects of the Company.

7. Expulsion of Members

- 7.1 A Member may only be expelled by a special resolution at an extraordinary general meeting called by the Board and passed in accordance with the following procedure:-
- 7.1.1 The Board must give the relevant Member at least one month's notice in writing of the general meeting. The notice to the Members must set out the reasons for the proposed expulsion and must request the relevant Member to attend the meeting to respond to the reasons set out in the notice.
- 7.1.2 At the general meeting called for this purpose the Members shall consider the evidence presented by the Board and by the relevant Member (if any). The meeting may take place even if the relevant Member does not attend.
- 7.1.3 If a special resolution to expel a Member is passed in accordance with this Article 7, the Member shall cease to be a Member with immediate effect.

8. Ending of Membership

- 8.1 A Member shall (without the need for notice to be given to the Member concerned) automatically cease to be a Member with immediate effect upon:-
- 8.1.1 he or she ceasing to be a Board Member of the Company if he or she is a Member by virtue of Article 4.1 above; or 8.1.2 he or she has for two successive Annual General Meetings been absent without having his or her apologies for absence accepted by the Meeting; or.

8.1.3 that Member's expulsion pursuant to Article 7; or

8.1.4 that Member if it is a Subsidiary, ceasing to be a Subsidiary.

GENERAL MEETINGS AND MEMBERS' RESOLUTIONS

Annual General Meeting

9. The Company shall hold an annual general meeting between 1st August and 30th September in each year (in addition to any other meetings in that year), provided that this falls within six months after the close of its financial year and shall specify the meeting as such in the notice calling it.
10. Not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The first annual general meeting shall be held within eighteen months of its incorporation.

Functions of the Annual General Meeting

11. The functions of the annual general meeting shall be:
 - 11.1 To receive:
 - 11.1.1 the revenue accounts and balance sheets for the last accounting period
 - 11.1.2 the auditors' report on those accounts and balance sheets
 - 11.1.3 the Board's report on the affairs of the Company
 - 11.1.4 a statement of the skills, qualities and experience required by the Board amongst its members
 - 11.2 To appoint the auditors;
 - 11.3 To elect Board Members; and
 - 11.4 To transact any other business of the Company included in the notice convening the meeting.

Extraordinary General Meetings

12. All general meetings other than annual general meetings shall be called extraordinary general meetings.
13. The Board Members may call general meetings and, on a written requisition signed by

Members holding not less than a tenth of the voting rights at a meeting (stating the business for which the meeting is to be convened) must promptly 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 Board Members to call a general meeting, or if within 28 days after delivery of a requisition to the Secretary a meeting required under this Article is not convened, any Board Member or any Member may call a general meeting.

Notice of General Meetings

14. An annual general meeting and all other extraordinary general meetings shall be called by at least twenty one days notice.
15. A general meeting may be called by shorter notice than stated in Article 14 if it is so agreed:
 - 15.1 in the case of an annual general meeting, by all the Members entitled to attend and vote at it and
 - 15.2 in the case of any other general meeting, by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety-five per cent of the total voting rights of all Members .
16. The notice of a general meeting shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. The notice shall be given to all the Members, all the Board Members and the auditors.
17. Any Member entitled to attend a general meeting shall be entitled to appoint another Member as his or her proxy to vote instead of the appointor.
18. The accidental omission to give notice of a meeting to, or the non-receipt of a notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting. A notice or communication sent by post to a Member at their address shown in the register of Members shall be deemed to have arrived two days after posting.

Quorum of General Meetings

19. No business shall be transacted at any general meeting unless a quorum is present. A quorum is present if:
 - 19.1 at least three Members who are not co-optees are present in person; and
 - 19.2 there are present in person or by proxyif the Company has more than sixteen Members, at least one quarter of the

membership or sixteen Members, whichever is the lower.

20. If a quorum is not present within half an hour from the time appointed for a general meeting then the following procedure shall be adopted:-

- 20.1 if the meeting has been called as a result of a Members' requisition it shall be dissolved;
- 20.2 in any other case the general meeting shall stand adjourned to the same day in the next week at the same time at the Office or to such other day and at such other time and place as the Board may determine.

The same shall apply if during a meeting a quorum ceases to be present.

21. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 20 the Members present shall constitute a quorum throughout the duration of the meeting and shall carry out the business of the meeting.

Chairman of General Meetings

22. The Chairman, if any, of the Board or in his or her absence the deputy Chairman presides as Chairman of each general meeting.
23. If neither the Chairman nor any deputy Chairman is present and willing to act within fifteen minutes after the time appointed for holding the meeting, the Members present shall elect one of their number to be Chairman of the meeting.
24. The person so chosen to be Chairman of the meeting must be a Board Member if one is present and willing to act.

Adjournment of General Meetings

25. The Chairman may with the consent of a meeting at which a quorum is present, adjourn the meeting from time to time and from place to place as he sees fit either indefinitely or to such other time and place as he or the Board decide.
26. No business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. An adjourned meeting is a continuation of the original meeting. The date of all resolutions passed is the date they were passed (as opposed to the date of the original meeting).
27. It shall not be necessary to give any notice of any adjourned meeting.

VOTES OF MEMBERS

Demand for a ballot

28. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a ballot is duly demanded. Subject to the provisions of the Companies Acts, a ballot may be demanded:-

28.1 by the Chairman; or

28.2 by any three Members and a demand by a person as proxy for a Member shall be the same as a demand by a Member.

Votes of Members

29. Subject to Articles 30 and 34:-

29.1 on a show of hands each Member present in person shall have one vote; and

29.2 on a ballot each Member present in person or by proxy shall be entitled to one vote

save that in the event that there are less than four Subsidiaries at any time each Member which is a Subsidiary shall be entitled to two votes either on a show of hands or on a ballot in relation to the election of Board Members and for the avoidance of doubt if there are four or more subsidiaries the provisions of 29.1 and 29.2 will apply without this exception.

30. In the case of an equality of votes, whether on a show of hands or on a ballot, the Chairman of the meeting shall be entitled to a second and casting vote.

31. Unless a ballot is duly demanded (either before or immediately after the vote) a declaration by the Chairman that a resolution has been carried (or not carried) unanimously, or by a particular majority, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

32. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chairman whose decision shall be final and conclusive.

Withdrawal of demand for a ballot

33. The demand for a ballot may be withdrawn before the ballot is taken. The withdrawal of a demand for a ballot shall not invalidate the result of a show of hands declared before the demand for a ballot was made.

Conduct of a ballot

34. A ballot demanded on the election of a Chairman or on a question of adjournment must be taken immediately. A ballot demanded on any other question shall be taken in such manner as the Chairman directs, either at the meeting or separately.
35. The demand for a ballot shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the ballot was demanded. If a ballot is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

Written Resolutions

36. A resolution in writing signed by or on behalf of each Member who would have been entitled to vote on it if it had been proposed at a general meeting at which he or she was present shall be as valid as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the same form each signed by or on behalf of one or more Members.

Appointment of Proxy and of Authorised Representatives

37. 37.1 A proxy can be appointed by delivering a written appointment to the Office at least two days before the date of the meeting at which the proxy is authorised to vote. It must be signed by the Member or a duly authorised attorney. Any proxy form delivered late shall be invalid. Any question as to the validity of a proxy shall be determined by the Chairman of the meeting whose decision shall be final. A proxy shall be a member of the Company.
- 37.2 A Corporate Member may from time to time appoint any person as its duly authorised representative and terminate any such appointment in each case by notice to the Company and such duly authorised representative shall be entitled to act in all ways as if he or she was the Corporate Member.

Validity of votes

38. A vote given or a ballot demanded by a proxy or by the duly authorised representative of a corporation shall be valid even if the authority of the person voting or demanding a ballot has been terminated unless notice of the termination was received by the Company at the Office (or at any other place at which an instrument of proxy was

duly deposited) before the start of the meeting or adjourned meeting at which the vote is given or the ballot demanded or (in the case of a ballot taken after the day of the meeting or adjourned meeting) before the time appointed for taking the ballot.

BOARD MEMBERS: COMPOSITION OF THE BOARD

39. The Board shall consist of a minimum of seven and no more than twelve Board Members (including co-optees) as determined by the Board from time to time of whom not more than one Board Member shall be a Tenant. At all times at least one third of the Board shall comprise persons who are not:-
- 39.1 board members of Subsidiaries, or
 - 39.2 Tenants, or
 - 39.3 appointees of any local authority.
40. Whenever the number of Board Members and co-optees is less than seven, the Board may appoint further Board Members in addition to the Board's power to co-opt. Any Board Member so appointed shall retire at the next annual general meeting.
41. The first Board Members shall be those persons named in the statement delivered pursuant to Section 10(2) of the Act who shall be deemed to have been appointed under the Articles. Future Board Members shall be appointed as provided subsequently in these Articles.
42. The Board may appoint co-optees to serve on the Board on such terms as the Board resolves and may remove such co-optees as it sees fit. A co-optee may act in all respects as a Board Member, but they cannot take part in the deliberations nor vote on the election of officers of the Company nor any matter directly affecting the appointment or removal of, or setting or amending the obligations of Members. The co-optees can include any Member or other person including employees of any Group Organisation. The Board may co-opt the Company's chief executive, and may co-opt up to one other employee of any Group Organisation.
43. Not more than three co-optees can be appointed to the Board.
44. The Board or a duly appointed committee of the Board shall report to its annual general meeting its requirements for the skills, qualities and experience which it needs from its Board Members. The notice shall state the extent to which those requirements are met by those Board Members continuing in office and those offering themselves for election or re-election. The Board shall use reasonable endeavours to ensure that the Members of the Board shall include one Tenant provided that such Tenant meets the requirements for skills, qualities and experience required from time to time by the Board of its Board Members.

45. At every annual general meeting other than the first annual general meeting not less than one third of the Board Members shall retire from office.
46. The Board Members forming the retiring third shall be those who have been longest in office since they last became Board Members. If the choice is between people who became Board Members on the same day those to retire shall be chosen by lot if not agreed.
47. Anybody appointed to fill a casual vacancy under Article 40 during the year and who retires for that reason shall not count towards the one third to retire.
48. Any Board Member who is not the Chairman who is aged 70 years or more shall retire at each annual general meeting but may be re-elected to serve on the Board until the next annual general meeting when this Article 48 shall apply again to them save that such age shall be increased to seventy five for any board member who has reached the age of sixty five at any time prior to the adoption of these Articles.
49. Any Board Member who has not at that time been appointed as Chairman, who has served nine consecutive years or more shall upon retirement at an annual general meeting not be re-elected save by a specific unanimous resolution of the Members present at the relevant annual general meeting (in which case they may be re-elected to serve on the Board until the next annual general meeting when this Article 49 shall apply again to them) but may be a candidate for election at the next following annual general meeting.
50. Candidates for election as Board Members at any annual general meeting shall be elected by the Members at such annual general meeting in such a manner as the Chairman directs.
51. In an election at a general meeting every Member present in person or by proxy shall have the number of votes set out in Article 29 for every vacancy but shall not give more than their allotted votes to any one candidate.
52. In casting their votes in an election, Members shall endeavour to ensure that the Board possesses the qualities, skills and experience which the Company has from time to time determined that it requires.

TERMINATION OF BOARD MEMBERSHIP

53. No person may be or remain a Board Member, committee member or co-optee:
 - 53.1 unless he or she has attained the age of 18 years; or
 - 53.2 if, had he or she already been a Board Member, he or she would have been disqualified from acting under Article 54.
- 54.1 A Board Member shall immediately cease to be a Board Member, committee member

or co-optee if he or she:

- 54.1.1 ceases to be a Board Member by virtue of any provision of the Companies Acts or becomes prohibited by law from being a Board Member or is removed from office under these Articles or becomes ineligible under these Articles to be a Board Member; or
 - 54.1.2 dies or becomes bankrupt or makes any arrangement or composition with his or her creditors generally or is the subject of an administration order; or
 - 54.1.3 has for four consecutive Board meetings been absent without having his or her apologies for absence accepted by the meeting; or
 - 54.1.4 has within the last five years been convicted of an indictable offence; or
 - 54.1.5 ceases to be an employee of any Group Organisation having been such an employee at the time of his or her co-option; or
 - 54.1.6 ceases to be a Tenant having been a Tenant at the time of his or her appointment; or
 - 54.1.7 ceases to be a Member pursuant to Article 8.
- 54.2 The Board may require a Board Member to cease to be a Board Member, committee member or co-optee if he or she is, or may be, suffering from mental disorder and either:-
- 54.2.1 he or she is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
 - 54.2.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his or her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his or her property or affairs;
- 55 In the event that a Notice of Seeking Possession or any substitute, replacement or alternative notice or other document having similar effect in relation to tenants and/or licensees is served on a board member or an applicant for board membership who is also a tenant or licensee of any member of the Regenda Group then if the board in its absolute discretion so determines that board member shall be suspended from the board with immediate effect and if an applicant for board membership his/her application shall be suspended with immediate effect. Pending the settlement or other determination of the cause of action leading to the issue of the Notice or its expiry whichever is the sooner the board member shall not (if the board in its absolute

discretion so determines) be entitled to attend or speak at board meetings and shall not count in the quorum thereat and in the case of an applicant for board membership his/her application shall not be progressed.

56. A Board Member may be removed from the Board by special resolution at a general meeting.

FUNCTIONS OF THE BOARD

57. The Board shall direct the affairs of the Company in accordance with its objects. Amongst its functions shall be to:

- 57.1 define and ensure compliance with the values and objectives of the Company and the Group;
- 57.2 establish policies and plans to achieve those objectives;
- 57.3 approve each year's accounts prior to publication and approve each year's budget and business plan for the Company and the Group;
- 57.4 establish and oversee a framework of delegation and systems of control for the Group;
- 57.5 agree policies and make decisions on all matters that create significant financial risk to the Company or the Group or any Group Organisation or which affect material issues of principle;
- 57.6 monitor the Company's and the Group's performance in relation to these plans, budget, business plan, policies, controls and decisions;
- 57.7 appoint (and if necessary remove) the Company's chief executive who shall act as the Group's chief executive;
- 57.8 satisfy itself that the Company's and Group's affairs are conducted in accordance with generally accepted standards of performance and propriety; and
- 57.9 take and ensure that all Group Organisations take appropriate advice; and any of these functions may be delegated on such terms as the Board in its absolute discretion determines.

CANDIDATES FOR THE BOARD

58. Any person may either apply for (or with their agreement be proposed for) election as a Board Member by the annual general meeting. Any such candidate (other than a person who has been a Board Member for the period from the last annual general

meeting to the relevant annual general meeting) shall submit a written statement to the Company in such form as the Board from time to time determines. It shall set out the candidate's full name, address and occupation and the reasons for their suitability to be a Board Member and shall be submitted to the Secretary prior to the 1st July in each year. Any Board Member who is retiring and is seeking re-election at the annual general meeting shall notify the Secretary of his /her intention to seek re-election at the annual general meeting.

59. In addition a candidate who is seeking election or re-election as a Board Member must be proposed by a Member. A candidate who is already a Member may not propose his or her own candidature.
60. The Secretary will refer any such application or proposal to the Board (or a duly appointed committee of the Board) who if it approves the application shall report to the annual general meeting with a recommendation as to the applicant's suitability for election.

POWERS OF BOARD MEMBERS

61. Subject to the provisions of the Act, the Memorandum and the Articles the business of the Company shall be managed by the Board Members who may exercise all the powers of the Company.
62. No alteration of the Memorandum or the Articles and no direction by the Board Members shall invalidate any prior act of the Board Members which would have been valid if that alteration had not been made or that direction had not been given.
63. The powers given by Article 61 shall not be limited by any special power given to the Board Members by the Articles and a meeting of Board Members at which a quorum is present may exercise all powers exercisable by the Board Members.
64. The Board may delegate the exercise of any of its powers under written terms of reference to committees or to employees of the Company on such terms as the Board determines. Such delegation may include any of the powers and discretions of the Board. Delegates and committees shall report their acts and proceedings promptly to and conform to any regulations made by the Board.
65. The membership of any committee shall be determined by the Board. Every committee shall include a minimum of one Board Member or co-optee to the Board. The Board will appoint the Chairman of any committee and shall specify the quorum. No committee can incur expenditure on behalf of the Company unless at least one Board Member or co-optee of the Board on the committee has voted in favour of the resolution and the Board have previously approved a budget for the relevant expenditure. Meetings of committees shall be governed by the provisions in these Articles for regulating Board meetings, so far as they apply and so far as they do not conflict with any regulations made by the Board.

66. The Board 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 or her powers.

BOARD MEMBERS' EXPENSES

67. The Company shall not pay or grant any benefit to anyone who is a Board Member or a co-optee or a member of a committee unless this is expressly permitted by the Memorandum and these Articles or by the Housing Act 1996 or by regulations made under that Act or by any determination made by the Corporation. For the avoidance of doubt, the Company may pursuant to their contract of employment pay remuneration and grant benefits to any chief executive or other employee of any Group Organisation who is co-opted to the Board.

BOARD MEMBERS' APPOINTMENTS AND INTERESTS

68. Subject to the provisions of the Act and provided that he or she has disclosed to the Board the nature and extent of any material interest of his or hers, a Board Member notwithstanding his or her office:
- 68.1 may have such a personal interest in any transaction or arrangement as is permitted by Article 67 ;
 - 68.2 may be a member of the board of directors or committee of management of, or officer of, or employed by any Group Organisation or any other body corporate promoted by the Company or in which the Company has a constitutional interest or to which the Company has nominated or otherwise arranged the interest of the Board Member PROVIDED THAT such a Board Member receives no remuneration or other benefit from that organisation which the Board Member could not have received from the Company if paid in respect of services to the Company; and
 - 68.3 may be a member of the board of directors or committee of management of, or officer of, or employed by, or a consultant to, a local authority or other public body or a charity or voluntary organisation (being an organisation not trading for profit) which is a party to any transaction or arrangement with the Company.
69. For the purposes of Articles 68 and 73 :
- 69.1 an entry in the Company's register of interests or a declaration to a meeting of the Board that a Board Member is to be regarded as having an interest (as specified in such entry or declaration) in any transaction or arrangement in which a specified person or class of persons is interested shall be treated as a disclosure that the Board Member has that interest in any such transaction; and

69.2 an interest of which a Board Member has no knowledge and of which it is unreasonable to expect him or her to have knowledge shall not be treated as an interest of his or hers.

70. No Board Member, co-optee or member of a committee or Officer shall have any financial interest whether:-

- (a) personally; or
- (b) as a member, director or officer of a firm which is interested ; or
- (c) in any other way whatsoever;

in any contract or other transaction with the Company, unless it is expressly permitted by any of these Articles or under the Housing Act 1996 or any determination by the Corporation. A Board Member shall be treated as having a financial interest (as above) in any transaction in which a close relative has such an interest. For the avoidance of doubt, the Company may pursuant to a contract of employment pay remuneration and grant benefits to any chief executive or other employee of any Group Organisation who is appointed a Board Member or co-opted to the Board.

71. Any Board Member, co-optee or member of a committee having an interest in any arrangement between the Company and someone else shall disclose their interest, before the matter is discussed by the Board or any committee. Unless it is expressly permitted by these Articles they shall not remain present at any such discussion unless requested to do so by the Board or committee, and they shall not have any vote on the matter in question. Any decision of the Board or of a committee shall not be invalid because of the subsequent discovery of an interest which should have been declared.

72. Every Board Member, co-optee and member of a committee shall ensure that the Secretary at all times has a list of:-

72.1 all other bodies in which they have an interest as:

72.1.1 a director, member of the board or committee of management or officer;

72.1.2 a member of a firm;

72.1.3 an official or elected member of any statutory body;

72.1.4 the owner or controller of more than two per cent of the shares of a company the shares in which are publicly quoted or more than ten per cent of any other company;

72.2 any property owned or managed or occupied by the Company or any Group

Organisation; and

72.3 any other significant or material interests

which in each case would or could affect any arrangement with the Company.

73. If requested by a majority of the Board or members of a committee at a meeting convened specially for the purpose, a Board Member, co-optee or member of a committee failing to disclose an interest as required by these Articles shall vacate their office either permanently or for a period of time as specified by the Board.
74. For the purpose of these Articles, a Board Member, co-optee or member of a committee who is a Tenant shall not be treated as having an interest in any decision affecting all or a group of tenants.
75. The grant of a tenancy by the Company or any other Group Organisation at the direction of another body to a Board Member, co-optee or member of a committee is not the grant of a benefit for the purpose of these Articles.

PROCEEDINGS OF BOARD MEMBERS

Board meetings

76. Subject to the provisions of these Articles, the Board Members may regulate their proceedings as they think fit.
77. The Board shall meet at least four times every calendar year. At least seven days written notice of the date and place of every Board meeting shall be given by the Secretary to all Board Members and co-optees.
78. Meetings of the Board may be called by the Secretary, or by the Chairman, or by two Board Members who give written notice (which may be by fax or by email) to the Secretary specifying the business to be carried out. The Secretary shall send a written notice (which may be by fax or by email) to all Board Members and co-optees to the Board as soon as possible after receipt of such a request. The Secretary shall call a meeting on at least three but not more than fourteen days' notice to discuss the specified business. If the Secretary fails to call such a meeting then the Chairman or two Board Members, whichever is the case, shall call such a meeting. Any such notice or communication sent by first class post shall be deemed to have arrived on the second day after the day when the same was put in the post and any sent by fax shall be deemed to have been served when received, provided it is legible, and by email when opened.
79. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote.

Board Quorum

80. Three Board Members (of whom none are executive Board Members) shall form a quorum. In any event the non-executive Board Members must be in the majority at any meeting of the board.
81. If a quorum is not present within half an hour from the time appointed for a Board meeting then the meeting shall proceed to business PROVIDED THAT any decision taken at such meeting shall not be valid and binding unless and until ratified by a subsequent Board Meeting at which a quorum is present in accordance with Article 80.
82. If the number of Board Members falls below the number necessary for a quorum the remaining Board Members may continue to act as the Board for a maximum period of six months. At the end of that time the only power that the Board may exercise shall be to call a general meeting of the Company to bring the number of Board Members up to that required by these Articles.

Chairman

83. The Board Members may appoint one of their number to be the Chairman of the Board and may at any time remove him or her from that office. No person who has been Chairman for six consecutive years immediately preceding any Board Meeting may be appointed as Chairman. Unless he or she is unwilling to do so, the Board Member appointed shall preside at every Board meeting of Board Members at which he or she is present. The Board Members may also appoint a deputy Chairman who shall in the absence of the Chairman, chair Board meetings.
84. The Chairman and deputy Chairman on election shall hold office until the commencement of the first Board meeting after the next succeeding annual general meeting of the Company save for the first annual general meeting of the Company. The first item of business for any Board meeting when there is no Chairman or the Chairman or deputy Chairman is not present shall be to elect the Chairman. The Chairman shall at all times be a Board Member.
85. The Chairman or deputy Chairman of the Company may be removed at a Board meeting called for the purpose provided the resolution is passed by at least two thirds of the members of the Board present at the meeting.
86. If there is no Board Member holding that office, or if the Board Member holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Board Members present may appoint one of their number to be Chairman of the meeting.

The Chairman's Responsibilities

87. The Chairman shall seek to ensure that:

- 87.1 the Board's business and the Company's general meetings are conducted efficiently;
- 87.2 all Board Members are given the opportunity to express their views;
- 87.3 a constructive working relationship is established with the Board and support provided by the Board for the chief executive;
- 87.4 the Board delegates sufficient authority to its committees, the Chairman, the Chief Executive and others to enable the business of the Company to be carried on effectively between Board meetings;
- 87.5 the Board receives advice where needed;
- 87.6 the Company is represented as required; and
- 87.7 the Company's affairs are conducted in accordance with generally accepted codes of performance and propriety.

Validity of Board Actions

88. All acts done by a meeting of Board Members, or a meeting of a committee of Board Members, or by a person acting as a Board Member shall, (notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Board Member 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 Board Member and had been entitled to vote. A certificate by an Officer that a power has been properly exercised shall be conclusive as between the Company and any third party acting in good faith.

Written Resolutions

89. A resolution in writing which has been sent to all of the Board Members or members of a committee who are entitled to receive notice of a meeting of Board Members or of that committee and signed by at least three quarters of them shall be as valid and effective as if it had been passed at a meeting of Board Members or (as the case may be) a committee of Board Members duly convened and held. A written Board or committee resolution may consist of several documents in the like form each signed by one or more Board Members or committee members.

Meetings by telephone etc

90. A Board Member shall be treated as present in person at a meeting of the Board Members (or of a committee of the Board Members) if he or she is in communication with the meeting by conference telephone or other communication equipment permitting those attending the meeting to hear one another. Such Board Member shall be counted in the quorum of the meeting and shall be entitled to vote at it. A meeting to which this Article applies shall be deemed to take place where the majority of those participating is assembled or, if there is no majority, at the place where the Chairman of the meeting is present.

BORROWING

91. The total borrowings of the Company at any time shall not exceed £500,000,000 (Five hundred million pounds sterling) or such a larger sum as the Company determines from time to time in general meeting.
92. The rate of interest payable at the time terms of borrowing are agreed on any money borrowed shall not exceed the rate of interest which, in the opinion of the Board, is reasonable having regard to the terms of the loan. The Board may delegate the determination of the said interest rate within specified limits to an Officer, Board Member or a committee.
93. In respect of any proposed borrowing, for the purposes of Article 91, the amount remaining undischarged of any deferred interest or index-linked monies previously borrowed by the Company or on any deep discounted security the amount of borrowing shall be deemed to be the amount required to repay such borrowing in full if such pre-existing borrowing became repayable in full at the time of the proposed borrowing.
94. For the purposes of Article 91 in respect of any proposed borrowing intended to be on deferred interest or index-linked terms or on any deep discounted security the amount of borrowing shall be deemed to be the proceeds of such proposed borrowing receivable by the Company at the time of the proposed borrowing.
95. No person dealing in good faith shall be concerned to know whether Articles 91 to 94 of these Articles have been complied with.

CHIEF EXECUTIVE

96. The Company may have a chief executive appointed by the Board. The chief executive shall be appointed on a written contract of employment, which shall include a clear statement of the duties of a chief executive.

SECRETARY

97. Subject to the provisions of the Companies Acts, the Secretary shall be appointed by the Board Members for such term, at such remuneration (if an employee) and upon such conditions as they may think fit.

Any Secretary so appointed may be removed by the Board. The Secretary may be a Board Member or an employee or an independent contractor. The Board Members may appoint one or more alternate, joint, assistant or deputy secretaries to act in the absence of the Secretary. Any such alternate, joint, assistant or deputy secretary shall (in such absence) have all powers vested in the Secretary by these Articles and the law. The Secretary shall in particular:-

- 97.1 summon and attend all meetings of the Company and the Board and keep the minutes of those meetings;
- 97.2 keep the registers and other books determined by the Board;
- 97.3 make any returns on behalf of the Company to the Registrar of Companies and the Corporation;
- 97.4 have charge of the seal of the Company; and
- 97.5 ensure compliance by the Company with its Memorandum and these Articles of Association.

OTHER OFFICERS

98. For the purposes of the Housing Act 1996 any member of the Board or of a committee including any co-optee shall be an officer.
99. The Board may designate Board Members to the named offices of deputy Chairman, treasurer or any other offices on such terms as it sees fit.
100. The Board Members shall cause minutes to be made in books kept for the purpose:-
- 100.1 of all appointments of officers made by the Board Members; and
 - 100.2 of all proceedings at meetings of the Company, and of the Board Members, and of committees of Board Members, including the names of the Board Members present at each such meeting.

THE SEAL

101. The Secretary shall keep the seal. It shall not be used except under the authority of the Board. It must be affixed by one Board Member signing and the Secretary countersigning or in such other way as the Board resolves. The board may by power of attorney on terms it deems appropriate appoint individual officers or employees of the Company to be agents of the Company to execute deeds on its behalf. The Board may delegate its authority to affix the Seal. Where authority is given by the Board to a transaction or matter which will entail the execution of documentation whether or not then drafted, such authority shall extend to the affixing of the seal in relation to all such documentation as is required to complete the authorised transaction or matter.

ACCOUNTS ETC

102. The Board Members shall cause accounting records, registers and minutes to be kept and accounts and annual returns to be prepared in accordance with the requirements of the Companies Acts.

RESERVES POLICY

103. The profits of the Company (available for distribution within the meaning of Part VIII of the Act) shall either be retained by the Company or distributed to one of the Subsidiaries for a purpose approved by the Board.
104. No dividend or other distribution shall be paid to any Member.

NOTICES

105. Any notice to be given to or by any person pursuant to the Articles shall be in writing.
106. The Company may serve any notice or other document on 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 or by sending it by fax or by electronic mail to a number or address (as the case may be) notified by the Member, or by any other means which have been authorised in writing by the Member concerned.
107. 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.
108. Proof that an envelope containing a notice or other document was properly addressed, prepaid and posted shall be conclusive evidence that the same was served. Any such notice or other document, if sent by first-class post, shall be deemed to have been served or delivered on the second day after the day when the same was put in the post. In proving such service or delivery it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any such notice or

other document if sent by facsimile shall be deemed to have been served when received provided that it is legible. Any such notice if sent by electronic mail shall be deemed to have been served at the expiration of three days after it is transmitted.

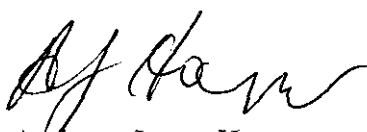
109. In the Articles "writing" shall be deemed to include photocopy, telex, facsimile, telegram and other methods of reproducing or communicating writing in visible form.

INDEMNITY

110. Subject to the Companies Acts and except for the consequences of their own dishonesty or gross negligence no officer or employee shall be liable for any losses suffered by the Company.
111. Subject to the provisions of the Companies Acts every Board Member, officer, auditor or employee shall be indemnified by the Company for any amount reasonably incurred in the discharge of their duty.
112. Subject to the provisions of the Companies Acts, the Company may purchase and maintain for every Board Member, auditor, Secretary or other officer of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him or her in respect of any negligence, default, breach of duty or breach of trust of which he or she may be guilty in relation to the Company.
113. Whether or not any insurance as mentioned in Article 112 is effected, every such person shall be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him or her in the execution and discharge of their duties or otherwise in relation thereto including any liability incurred by him or her in defending any proceedings whether civil or criminal that relate to anything done or omitted or alleged to have been done or omitted by him or her as an officer or employee of the Company and
- 113.1 in which judgment is given in his or her favour (or where the proceedings be otherwise disposed of without any finding or admission of any material breach of duty on his or her part) or
- 113.2 in which he or she is acquitted or
- 113.3 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 by the Court.
114. A Board Member acting in good faith shall not be liable to the Company for any loss.

NAMES AND ADDRESSES OF SUBSCRIBERS

Mark Rathbone
Brabners
1 Dale Street
Liverpool L2 2ET



Anthony James Harper
Brabners
1 Dale Street
Liverpool L2 2ET

DATED this 4th day of December 2001

WITNESS to the above signatures: -

V.M. Eccles
1 Dale Street
Liverpool
L2 2ET