

Company Number 4391802

THE COMPANIES ACT 1985 TO 1989
COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS OF

LINDEN NEW HOMES LIMITED

PURSUANT TO REGULATION 53 OF
THE COMPANIES (TABLES A – F) REGULATIONS 1985

Passed on the 26th July 2002

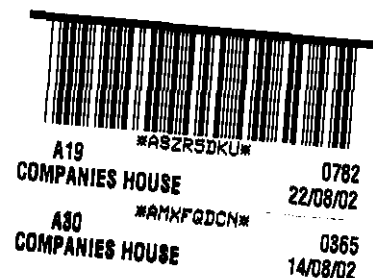
I, the undersigned member of the above named Company being the only member who at the date hereof would be entitled to attend and vote at a general meeting of the Company hereby resolve that the following resolutions be passed as written resolutions: -

1. That the authorised share capital of the Company be increased from £1,000 to £2,500,000 by the creation of an additional 2,499,000 Ordinary shares of £1 each.
2. That the consequently increased authorised and unissued share capital of the Company be reorganised and reclassified as 1,249,999 "A" Ordinary shares of £1 each and 1,250,000 "B" Ordinary Shares of £1 each and that the one issued Share of the Company be reorganised and reclassified as an "A" Ordinary Share.
3. That new Articles of Association of the Company be adopted in the form contained in the document submitted to the meeting and for the purposes of identification signed by the Chairman in substitution for and to the exclusion of the existing Articles of Association.
4. That all Shares have the rights as set out in the Articles of Association and that the directors be authorised to allot any unissued shares in the capital of the Company for the time being for the purposes of Section 80 of the Companies Act 1985 and pursuant to Section 95 of the Companies Act the provisions of Section 89 of the Companies Act 1985 to be disapplied accordingly.
5. That Clause 5 of the Memorandum of Association of the Company be amended as follows:

"The Company's share capital is £2,500,000 divided into 1,250,000 "A" Ordinary shares of £1 each and 1,250,000 "B" Ordinary shares of £1 each."



(for and on behalf of Linden Holdings plc)



THE COMPANIES ACTS 1985 TO 1989
PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM AND ARTICLES OF ASSOCIATION

Of

LINDEN NEW HOMES LIMITED

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

LINDEN NEW HOMES LIMITED

1. The name of the Company is LINDEN NEW HOMES LIMITED.
2. The registered office of the Company will be situated in England.
3. The objects for which the Company is established are: -
 - 3.1 (a) To carry on business as a general commercial company;
 - (b) Without prejudice to the generality of the objects and powers of the Company derived from Section 3A of the Companies Act 1985 the Company has the objects set forth in the following sub-clauses;
- 3.2 To purchase or by any other means acquire and take options over any property whatever and any rights or privileges of any kind over or in respect of any property;
- 3.3 To apply for register purchase or by other means acquire and protect prolong and renew whether in the United Kingdom or elsewhere any patents patent rights brevets d'invention licences secret processes trade marks designs protections and concessions and to disclaim alter modify use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to expend money in experimenting upon testing and improving any patents inventions or rights which the Company may acquire or propose to acquire;
- 3.4 To acquire or undertake the whole or any part of the business goodwill and assets of any person firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person firm or company or to acquire an interest in amalgamate with or enter into partnership or into any arrangement for sharing profits or for co-operation or for mutual assistance with any such person firm or company or for subsidising or otherwise assisting any such person firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired any shares debentures debenture stock or securities that may be agreed upon and to hold and retain or sell mortgage and deal with any shares debentures debenture stock or securities so received;
- 3.5 To improve manage construct repair develop exchange let on lease or otherwise mortgage charge sell dispose of turn to account grant licences options rights and privileges in respect of or otherwise deal with all or any part of the property and rights of the Company;

- 3.6 To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;
- 3.7 To lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others to enter into guarantees contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon any terms and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company firm or person including any holding company subsidiary or fellow subsidiary company in any manner;
- 3.8 To borrow and raise money in any manner and to secure the repayment of any money borrowed raised or owing by mortgage charge standard security lien or other security upon the whole or any part of the Company's property or assets (whether present or future) including its uncalled capital and also by a similar mortgage charge standard security lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- 3.9 To draw make accept endorse discount negotiate execute and issue cheques bills of exchange promissory notes bills of lading warrants debentures and other negotiable or transferable instruments;
- 3.10 To apply for promote and obtain any Act of Parliament order or licence of the Department of Trade or other authority for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests;
- 3.11 To enter into any arrangements with any government or authority (supreme municipal local or otherwise) that may seem conducive to the attainment of the Company's objects or any of them and to obtain from any such government or authority any charters decrees rights privileges or concessions which the Company may think desirable and to carry out exercise and comply with any such charters decrees rights privileges and concessions;
- 3.12 To subscribe for take purchase or otherwise acquire hold sell deal with and dispose of place and underwrite shares stocks debentures debenture stocks bonds obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world and debentures debenture stocks bonds obligations or securities issued or guaranteed by any government or authority municipal local or otherwise in any part of the world;
- 3.13 To control manage finance subsidise co-ordinate or otherwise assist any company or companies in which the Company has a direct or indirect financial interest to provide secretarial administrative technical commercial and other services and facilities of all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem desirable with respect to any business or operations of or generally with respect to any such company or companies;

- 3.14 To promote any other company for the purpose of acquiring the whole or any part of the undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company and to place or guarantee the placing of underwrite subscribe for or otherwise acquire all or any part of the shares or securities of any such company as aforesaid;
- 3.15 To sell or otherwise dispose of the whole or any part of the business or property of the Company either together or in portions for such consideration as the Company may think fit and in particular for shares debentures or securities of any company purchasing the same;
- 3.16 To act as agents or brokers and as trustees for any person firm or company and to undertake and perform sub-contracts;
- 3.17 To remunerate any person firm or company rendering services to the Company either by cash payment or by the allotment to him or them of shares or other securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient;
- 3.18 To pay all or any expenses incurred in connection with the promotion formation and incorporation of the Company or to contract with any person firm or company to pay the same and to pay commissions to brokers and others for underwriting placing selling or guaranteeing the subscription of any shares or other securities of the Company;
- 3.19 To support and subscribe to any charitable or public object and to support and subscribe to any institution society or club which may be for the benefit of the Company or its directors or employees or may be connected with any town or place where the Company carries on business to give or award pensions annuities gratuities and superannuation or other allowances or benefits or charitable aid and generally to provide advantages facilities and services for any persons who are or have been directors of or who are to have been employed by or who are serving or have served the Company or any Company which is a subsidiary of the Company or the holding company of the Company or a fellow subsidiary of the Company or the predecessors in business of the Company or of any such subsidiary holding or fellow subsidiary company and to the wives widows children and other relatives and dependants of such persons; to make payments towards insurance; and to set up establish support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of such persons and of their wives widows children and other relatives and dependants; and to set up establish support and maintain profit sharing or share purchase schemes for the benefit of any of the employees of the Company or of any such subsidiary holding or fellow subsidiary company and to lend money to any such employees or to trustees on their behalf to enable any such purchase schemes to be established or maintained;
- 3.20 Subject to and in accordance with a due compliance with the provisions of Sections 155 to 158 (inclusive) of the Act (if and so far as such provisions shall be applicable) to give whether directly or indirectly any kind of financial assistance (as defined in Section 152(1)(a) of the Act) for any such purpose as is specified in Section 151(1) and/or Section 151(2) of the Act;
- 3.21 To distribute among the members of the Company in kind any property of the Company of whatever nature;

- 3.22 To procure the Company to be registered or recognised in any part of the world;
- 3.23 To do all or any of the things or matters aforesaid in any part of the world and 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;
- 3.24 To do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them;
- 3.25 To carry on business as a general commercial company.

AND so that:-

- (a) None of the objects set forth in any sub-clause shall be restrictively construed but the widest interpretation shall be given to each such object and none of such objects shall except where the context expressly so requires be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause or by reference to or inference from the terms of any other sub-clause of this Clause or by reference to or inference from the name of the Company;
 - (b) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this Clause as though each such sub-clause contained the objects of a separate Company;
 - (c) The word "Company" in this Clause except where used in reference to the Company shall be deemed to include any partnership or other body of persons whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere;
 - (d) In this Clause the expression "the Act" means the Companies Act 1985 but so that any reference in this Clause to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.
- 4. The liability of the members is limited.
 - 5. The Company's share capital is £250,000,000 divided into 1,250,000 "A" Ordinary shares of £1 each and 1,250,000 "B" Ordinary shares of £1.00 each.

EDINBURGH

OUR REF GECS/RMBB/BAN.13.544

DATE 26 July 2002

Articles of Association

of Linden New Homes Limited

(Adopted by special resolution passed on 26th July 2002)

ABXΔ

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The Companies Act 1985

Company limited by shares

Articles of Association

of

Linden New Homes Limited

(Adopted by special resolution

passed on 26th July 2002)

1. Preliminary

1.1 In these Articles:

1.1.1 the regulations contained in Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (which Table is hereinafter referred to as "Table A") shall, except as hereinafter provided or so far as the same are not consistent with the provisions of these Articles, constitute the regulations of the Company;

1.1.2 regulations 2, 3, 17, 24, 39, 40, 41, 46, 50, 53, 58, 64 to 69 (inclusive), 72 to 81 (inclusive), 84, 87 to 91 (inclusive), 93 to 98 (inclusive), 112 and 115 of Table A shall not apply to the Company; and

1.1.3 "Act" means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.

1.2 For the purposes of these Articles, a person is "connected with" another person if they are connected with one another within the meaning of Section 839 of the Income and Corporation Taxes Act 1988.

1.3 References to persons shall include natural persons, bodies corporate, unincorporated associations, partnerships, joint ventures, trusts or other entities or organisations of any kind, including (without limitation) government entities (or political subdivisions or agencies or instrumentalities thereof).

2. Share capital

2.1 The authorised share capital of the Company as at the date of the adoption of these Articles is £2,500,000 divided into 1,250,000 'A' shares of £1 each ("A Shares") and 1,250,000 'B' shares of £1 each ("B Shares"). The A Shares and the B Shares shall each constitute different classes of shares for the purposes of the Act, but, except as expressly provided in these Articles, the A Shares and the B Shares rank *pari passu* in all respects.

- 2.2 The Company is a private company and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.
- 2.3 Shares in the Company may only be held by companies.
- 2.4 The share capital of the Company shall not be increased and no unissued shares may be allotted or issued unless with the consent in writing signed by or on behalf of all the members of the Company. Unless all of the members of the Company consent in writing otherwise, all new shares created on any increase of capital shall be created as A Shares of £1 each and B Shares of £1 each in equal proportions and the issue of any shares in the capital of the Company shall be made in such manner that at all times the total number of A Shares and B Shares in issue are in equal proportions, A Shares being issued only to the holders of A Shares and B Shares only to holders of B Shares.
- 2.5 Subject to the provisions of these Articles and the Act, the Company may:
- 2.5.1 issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the holder on such terms and in such manner as the directors may at the time of issue determine; and
- 2.5.2 to the extent permitted by section 171 of the Act, make a payment in respect of the redemption or purchase of any of its own shares (including any redeemable shares) otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.
- 2.6 Whenever the capital of the Company is divided into different classes of shares all provisions applicable to general meetings of the Company or to the proceedings thereat shall mutatis mutandis apply to any separate meeting of the holders of shares of any class except that:
- 2.6.1 the necessary quorum shall be one person holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present the member or members present in person or by proxy shall be a quorum);
- 2.6.2 any holder of shares of the class present in person or by proxy may demand a poll and each holder shall on a poll have one vote in respect of every share of the class held by it; and
- 2.6.3 the provisions of Article 2.8 shall apply in relation to any proposed variation of special rights attached to that class of shares.
- 2.7 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless, otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith provided that such further shares are issued equally in all respects to all then existing shares of that class.
- 2.8 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a

going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of all the issued shares of that class. Without prejudice to the generality of this article, the special rights attached to each of the A Shares and the B Shares, shall be deemed to be varied if the Company:-

- 2.8.1 carries on any business other than the business of a primarily residential housebuilder to include the acquisition of sites for the development and sale of residential units and any ancillary commercial development and land sales;
- 2.8.2 alters its memorandum or articles of association or its accounting reference date or its name;
- 2.8.3 issues any unissued shares or creates or issues any new shares in the Company or grants options over any of its shares or other securities;
- 2.8.4 acquires, purchases, or subscribes for any shares, debentures, mortgages or securities (or any interest therein) in any company, trust or any body other than in subsidiaries formed or acquired to act as management companies for sites which are in the course of development or have been developed;
- 2.8.5 holds any meeting of members or purports to transact any business at any such meeting unless there shall be present duly authorised representatives or proxies for each of the members;
- 2.8.6 alters, increases, reduces or redeems the authorised or issued share capital of the Company;
- 2.8.7 declares, pays or otherwise makes any distribution;
- 2.8.8 makes any political gift or charitable donation with the exception of aggregate donations to a maximum of £5,000 in respect of each site developed by the Company from time to time;
- 2.8.9 gives any guarantee, indemnity or security in respect of the obligations of any other person (other than any of its wholly owned subsidiaries);
- 2.8.10 pays any remuneration or expenses to any person (but not without the consent of all the Shareholders to any person who is a director of the Company or an employee of any Shareholder) other than as proper remuneration for work done or services provided or as proper reimbursement for expenses incurred in connection with the business of the Company;
- 2.8.11 alters any restriction on the powers of the directors of the Company to borrow, give guarantees or create charges;
- 2.8.12 makes any application for a listing of any part of the share capital of the Company on the London Stock Exchange, the Alternative Investment Market or any other recognised investment exchange (as defined in Section 285 of the Financial Services and Markets Act 2000) or makes any arrangements for any other form of marketing or any of its share

capital (including without limitation on any bourse or stock exchange other than the London Stock Exchange);

- 2.8.13 makes any loan or advance (other than to any of its wholly owned subsidiaries or as contemplated in the Company's business plan from time to time);
- 2.8.14 creates any mortgage or charge over any part of its undertaking, property or assets, save as pursuant to the senior facility agreement between the Company and the Governor and Company of the Bank of Scotland dated [] 2002 or the loan stock instrument of the Company dated [] 2002;
- 2.8.15 incurs any expenditure or liability in respect of the acquisition of any business or capital asset whatsoever of the Company or any of its subsidiaries of an aggregate amount in excess of £50,000 in any financial year;
- 2.8.16 enters into any contract or arrangement of a long term nature other than in the ordinary course of business;
- 2.8.17 appoints any committee of its board of directors to take any decisions which are material to the Company or any of its subsidiaries as a whole otherwise than at a meeting of the Board of the Company;
- 2.8.18 establishes or vary the rules of any profit sharing, bonus or incentive scheme or any benefits scheme;
- 2.8.19 sells the undertaking of the Company or any substantial part thereof or sells any fixed assets of the Company other than in the ordinary course of business;
- 2.8.20 sells or otherwise disposes of any heritable or freehold or leasehold property or any interest therein other than in the ordinary course of business;
- 2.8.21 disposes of any share in the capital of any subsidiary of the Company;
- 2.8.22 borrows any money or incurs any indebtedness in the nature of borrowing in addition to the indebtedness permitted by the Senior Facility Agreement or Loan Stock Instrument (each as referred to in Article 2.8.14); or
- 2.8.23 commences legal proceedings except for the purposes of the recovery of debts owed to the Company in the ordinary course of business.

3. Lien

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

4. Transfer of shares

- 4.1 Save as otherwise provided in these Articles, no member may transfer any shares or any interest in shares without the written agreement of all of the other members.
- 4.2 Any person who would otherwise be entitled to shares or an interest in shares on the insolvency or winding-up of any member or the enforcement of any security interest granted by a member of the Company (the "Vendor") shall give (or otherwise shall be deemed to give upon the Company becoming aware of such insolvency or winding-up or enforcement of security interest) to the Company notice in writing (hereinafter called a "Transfer Notice"). Once a Transfer Notice has been given, or is deemed to have been given, it may not be withdrawn other than in accordance with Article 4.5.
- 4.3 A Transfer Notice may only be given by or in respect of one Shareholder and be in respect of the same class of shares. A Transfer Notice shall be in respect of all the shares held by that Shareholder and shall be deemed to be in respect of all the issued shares of the relevant class for the time being held by that Shareholder and any person connected with that Shareholder.
- 4.4 Subject as hereinafter provided, a Transfer Notice shall constitute the Company the Vendor's agent for the sale of the shares specified therein (hereinafter called 'the Sale Shares') in one or more lots at the discretion of the directors to the other members at the Sale Price. The Sale Price shall be the price agreed by the Vendor and the directors or, if the Vendor and the directors are unable to agree a price within 28 days of the Transfer Notice being given or if the Transfer Notice is a deemed Transfer Notice, the price which a chartered accountant (acting as an expert and not as an arbiter) nominated by agreement between the Vendor and the Company or in default of such agreement by the President for the time being of the Institute of Chartered Accountants of England and Wales (or a corresponding officer in any successor body) shall certify in writing to be in his opinion a fair value thereof between a willing seller and a willing buyer ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they do not represent a majority interest and on the assumption that the Sale Shares are capable of transfer without restriction. The directors and the Vendor shall be given the opportunity to make written representations to such chartered accountant regarding the value of the Sale Shares prior to such certification.
- 4.5 Upon the price being fixed as aforesaid the Company shall forthwith offer the Sale Shares to the other members pro rata as nearly as may be in proportion to the existing numbers of shares held by such members giving details of the number and the Sale Price of such Sale Shares. The Company shall invite each such member as aforesaid to state in writing within twenty-one days from the date of the offer whether it is willing to purchase any of the Sale Shares so offered to it and if so the maximum number thereof which it is willing to purchase and, in the case of an offer to holders of the same class of shares as the Sale Shares, whether such holders are interested in acquiring Sale Shares in addition to those offered on a pro rata basis. If at the expiration of the said period of twenty-one days there are any Sale Shares offered which any of the members hereinbefore mentioned have not so stated their willingness to purchase the Company shall offer such shares to such members as have stated in writing their willingness to purchase all the shares previously offered to them. Such remaining shares shall be offered pro rata as nearly as may be in proportion to existing numbers of shares then held by such members which offer shall remain open for a further period of twenty-one days.

- 4.6 If the Company shall pursuant to the above provisions of this Article find a member or members of the Company willing to purchase all or any of the Sale Shares the Company shall allocate such Sale Shares first, to and amongst the applicants who are registered or unconditionally entitled to be registered in respect of shares of the same class as the Sale Shares and secondly (if any of the Sale Shares remain after such applicants have been satisfied in full), to and amongst applicants who are registered or unconditionally entitled to be registered in respect of shares of other classes, provided that no applicant shall be obliged to take more than the maximum number of shares specified by it. The Company shall forthwith give notice of such allocations (an "Allocation Notice") to the Vendor and to the persons to whom the Sale Shares have been allocated and shall specify in such notice the place and time (not being earlier than fourteen and not later than twenty eight days after the date of the Allocation Notice) at which the sale of the shares so allocated shall be completed. The Vendor shall be bound upon receipt of the Sale Price to transfer the Sale Shares comprised in an Allocation Notice to the purchasers named therein at the Sale Price at the time and place therein specified. If the Vendor shall make default in so doing the Company shall if so required by the person or persons willing to purchase such Sale Shares receive and give a good discharge for the purchase money on behalf of the Vendor and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the register of members as the holder of such of the Sale Shares as shall have been transferred to them as aforesaid.
- 4.7 If the directors shall not have found a member or members of the Company willing to purchase all of the Sale Shares pursuant to the foregoing provisions of this Article, the Vendor shall at any time within six months after the close of the offer by the Company under Article 4.3 to its members be at liberty to sell and transfer such of the Sale Shares as have not been so sold to any person at a price being no less than the Sale Price, provided that the Vendor shall not be entitled, save with the written consent of all the members of the Company, to sell some only of the Sale Shares, and further provided that the directors may refuse to register any transfer to any person of whom they shall not approve as a member of the Company (such approval not to be withheld without good reason in the interests of the Company) but not if that person was named as a potential transferee in the Transfer Notice.
- 4.8 In addition to a transfer which they are obliged to register pursuant to Articles 4.1 to 4.7 (inclusive), the directors shall be obliged to register any other transfer of shares or any interest in shares if all the members of the Company so agree in writing but in no other circumstances shall they be so obliged.
5. Proceedings at general meetings
- 5.1 Any general meeting may be convened at or adjourned to more than one place. If a meeting or adjourned meeting is convened at or adjourned to more than one place, the notice of that meeting shall specify the place at which the chairman of the meeting shall preside (the "Specified Place") and the directors shall make arrangements for simultaneous attendance and participation at other places by members, provided that persons attending at any particular place shall be able to hear and be heard (whether by audio links or otherwise howsoever enabling the same) by persons attending at the other places at which the meeting is convened. For the purposes of these Articles, the meeting shall be treated as being held at the Specified Place.
- 5.2 No business shall be transacted at any meeting unless a quorum is present.

- 5.3 Two members present in person or by proxy (or, if a corporation, by representative) shall be a quorum for all purposes, provided that one is the holder of an A Share and one is the holder of a B Share.
- 5.4 A resolution put to the vote of a meeting shall be decided on a show of hands unless before or on a declaration of the result of the show of hands a poll is duly demanded.
- 5.5 A poll may be demanded by any member having the right to vote at the meeting.
- 5.6 A demand for a poll by a person as a proxy attorney or duly authorised representative for a member shall be the same as a demand by the member.
- 5.7 The chairman at any general meeting shall not be entitled to have a casting vote in addition to any other vote he may have.
- 5.8 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 general meeting or by their duly appointed proxies or attorneys:
- 5.8.1 shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held;
- 5.8.2 such resolution in writing may be contained in one document or in several documents in the same terms each signed by or on behalf of one or more of the members or their proxies or attorneys; and
- 5.8.3 the signature in the case of a body corporate which is a member shall be sufficient if made by a director thereof or by its duly authorised representative.

6. Votes

- 6.1 Subject to any rights or restrictions attached to any shares and to the provisions of this Article, on a show of hands or on a poll, all of the A Shareholders present by a representative duly authorised in accordance with the Act or by proxy shall, in aggregate, have one vote and all of the B Shareholders present by a representative duly authorised in accordance with the Act or by proxy shall, in aggregate, have one vote.
- 6.2 The A Shares shall not confer the right to vote, either on a show of hands or on a poll, upon a resolution for the appointment or removal from office of any B Director (as defined in Article 8).
- 6.3 The B Shares shall not confer the right to vote, either on a show of hands or on a poll, upon a resolution for the appointment or removal from office of any A Director (as defined in Article 8).

7. Directors

- 7.1 The number of directors shall be determined by the Company in general meeting but unless and until so determined the maximum number of directors shall be six.

7.2 A director or alternate director shall not require any share qualification but any director who is not a member of the Company shall nevertheless be entitled to receive notices of and attend and speak at any general meeting of the Company or at any separate meeting of the holders of any class of shares of the Company.

7.3 A person may be appointed a director notwithstanding that he shall have attained the age of seventy years or any other age and no director shall be liable to vacate office by reason of his attaining that or any other age nor shall special notice be required of any resolution appointing or approving the appointment of such director or any notice be required to state the age of the person to whom such resolution relates.

8. Appointment and removal of directors

8.1 The holder or holders of a majority in nominal value of the A Shares as a class shall be entitled to appoint not more than three directors of the Company (herein referred to as "A Directors") and the secretary of the company and to remove any such director or secretary and to make all necessary appointments to fill any vacancy howsoever and whensoever arising. Every such appointment or removal shall be effected by notice in writing deposited at the registered office of the Company signed by the holder or holders of a majority in nominal value of the A Shares.

8.2 The holder or holders of a majority in nominal value of the B Shares as a class shall be entitled to appoint not more than three directors of the Company (herein referred to as "B Directors") and to remove any such director and to make all necessary appointments to fill any vacancy howsoever and whensoever arising. Every such appointment or removal shall be effected by notice in writing deposited at the registered office of the Company signed by the holder or holders of a majority in nominal value of the B Shares.

8.3 Prior to the first anniversary of the date of adoption of these Articles, the chairman of the board of directors shall be an A Director appointed by the A Directors. From the first anniversary until the second anniversary of the date of adoption of these Articles the chairman of the board of directors shall be a B Director appointed by the B Directors. Thereafter, the appointment of the chairman of the board of directors shall alternate annually between an A Director appointed by the A Directors and a B Director appointed by the B Directors.

8.4 No director shall be required to retire by rotation.

9. Disqualification of directors

The office of a director shall be vacated in any of the following events:

9.1 if he resigns his office by notice in writing to the Company; or

9.2 if he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

9.3 if he is admitted to hospital in pursuance of an application for his admission under either the Mental Health Act 1983 or the Mental Health (Scotland) Act 1984 or an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters

concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise power with respect to his property or affairs; or

9.4 if he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or

9.5 if he is absent from meetings of the board of directors for six successive months without leave and his alternate director (if any) shall not during such period have attended in his stead and the directors resolve that his office be vacated; or

9.6 if he shall be removed from office under the provisions of Article 8.

10. Proceedings of directors

10.1 Subject to the provisions of these Articles, the directors may regulate their proceedings as they think fit.

10.2 A director may and the secretary at the request of a director shall call a meeting of the directors.

10.3 Notice of every meeting of directors shall be given to each director and his alternate director (if one is appointed), including directors and alternate directors who are absent from the United Kingdom and have given the Company their addresses outside the United Kingdom. Directors who are absent from the United Kingdom shall be entitled to receive reasonable notice of every meeting. Notice of a meeting of directors or a committee of the board of directors shall not be required if all the directors or all the members of that committee are present at the meeting.

10.4 Without prejudice to Article 10.1, a meeting of the board of directors or of a committee of the board of directors may consist of a conference between or among directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously. A director taking part in such a conference shall be deemed to be present at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating in the conference is assembled, or, if there is no such group, where the chairman of the meeting then is. The word "meeting" in these Articles shall be construed accordingly.

10.5 The quorum necessary for the transaction of the business of the directors shall be two, one of whom shall be an A Director and, one of whom shall be a B Director. An alternate director who is not himself a director may if his appointor is not present be counted towards the quorum.

10.6 A resolution of the board of directors shall not be validly passed and shall not be binding on the Company or its members unless it is carried by a majority in number of the directors (which majority must include at least one A Director and at least one B Director or their respective alternate directors). The chairman at any meeting of the directors shall not have a second or casting vote in addition to any other vote he may have.

- 10.7 An alternate director who is also himself a 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.
- 10.8 A meeting of the directors may subject to notice thereof having been given in accordance with these Articles be for all purposes deemed to be held when a director is or directors are in communication by telephone or television with another director or directors and all the said directors agree to treat such communication as constituting a meeting so held provided that the number of the said directors constitutes a quorum of the board of directors hereunder and a resolution passed in accordance with Article 10.6 (subject to the whole terms of this Article 10) shall be as valid as it would have been if passed by them at an actual meeting duly convened and held.
- 10.9 A resolution signed in writing by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened in the like form each signed by one or more directors but a resolution signed by an alternate director need not also be signed by his appointor and if it is signed by a director who has appointed an alternate director it need not be signed by the alternate director in that capacity.
- 10.10 A director who is in any way either directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Company:
- 10.10.1 shall declare the nature of his interest at a meeting of the directors in accordance with section 317 of the Act; and
- 10.10.2 subject to such disclosure shall be entitled to vote in respect of any contract or arrangement in which he is interested and if he shall do so his vote shall be counted and he may be taken into account in ascertaining whether a quorum is present.
11. Alternate directors
- 11.1 Any director may at any time by writing under his hand and deposited at the office or delivered at a meeting of the directors appoint any person (including another director) to be his alternate director and may in like manner at any time terminate such appointment.
- 11.2 The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director.
- 11.3 An alternate director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the directors and shall be entitled to attend and vote as a director at any such meeting at which the director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (and not his appointor) were a director.
- 11.4 If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability, the signature of an alternate director to any resolution in writing of the directors shall be as effective as the signature of his appointor.

11.5 To such extent as the directors may from time to time determine in relation to any committees of the directors the foregoing provisions of this Article 11 shall also apply mutatis mutandis to any meeting of such committee of which the appointor of an alternate director is a member.

11.6 An alternate director shall not (save as provided in this Article 11) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles but he shall be an officer of the Company and shall not be deemed to be the agent of the director appointing him.

11.7 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

12. Executive committees

12.1 The directors, by unanimous resolution only and, subject to Article 12.2, may delegate any of their powers or discretions to one or more committees consisting of two or more directors. Any such delegation may be made subject to any conditions the directors may impose and either collaterally with or to the exclusion of their own powers and may be altered by the unanimous resolution of the directors. The directors shall, on demand by any one director, revoke any such delegation.

12.2 The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the directors so far as they are capable of applying, save that the quorum necessary for the transaction of the business of such committee shall be two. For the avoidance of doubt, a resolution of a committee of the board of directors shall not be validly passed and shall not be binding unless it is carried unanimously.

13. Notices

13.1 A notice may be given by the Company to any member in writing either personally or by sending it by pre-paid post to his registered address (whether or not within the United Kingdom) supplied by it to the Company for the giving of notice to it.

13.2 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.

13.3 A properly addressed notice sent by pre-paid post shall be deemed to have been given 48 hours after the date on which the notice is posted.

14. Indemnity

14.1 Subject to the provisions of and so far as may be permitted by the Act, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred or sustained by him in the execution and discharge of his duties or otherwise in relation thereto. Regulation 118 of Table A shall be extended accordingly.

14.2 The Company shall purchase and maintain for the directors of the Company and shall have power to purchase and maintain for any secretary, auditor or other officer of the Company insurance against any such liability as is referred to in section 310(3) of the Act.

15. Capitalisation of Profits

Regulation 110 of Table A shall be amended by the substitution of "." with ";" in paragraph (d) and the addition of the following words as a new paragraph which shall apply to the provisions of paragraphs (a) to (d) inclusive:

"provided that if any such shares are allotted and distributed credited as fully paid up, only A Shares will be allotted to the holders of A Shares and only B Shares will be allotted to the holders of B Shares."