

Company Number: 5859746

**THE COMPANIES ACT 1985**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTIONS**  
**of**  
**G C NETHERTON LIMITED (the "Company")**

In accordance with regulation 53 of Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended), as incorporated in and modified by the Company's articles of association, I, being the only member of the Company who would, at the date of these resolutions, have been entitled to vote upon them if they had been proposed at a general meeting at which I was present, pass the following resolutions as written resolutions of the Company:

- 1 THAT the existing issued and unissued 1,000 ordinary shares of £1 each in the capital of the Company be and are hereby converted and re-classified as 1,000 "A" ordinary shares of £1 each having the rights set out in the new Articles of Association of the Company proposed to be adopted pursuant to Resolution 5 below.
- 2 THAT the authorised share capital of the Company be increased to £100,000 by the creation of 49,000 "A" ordinary shares of £1 each and 50,000 "B" ordinary shares of £1 each, each having attached thereto the respective rights set out in the Articles of Association of the Company as proposed to be adopted pursuant to resolution 5 below.
- 3 THAT the directors of the Company be and are hereby generally authorised for the purposes of section 80 of the Act to exercise all the powers of the Company to allot relevant securities (as defined by section 80(2) of the Companies Act 1985 (the "Act")) up to an aggregate nominal amount of £100,000 at any time or times during the period from the date on which this resolution was passed up to and including the date which is not more than five years from the date of the passing of this resolution, on which date the authority given by this resolution shall expire and such authority shall allow the Company to make an offer or agreement before the expiry of the authority which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after the expiry of the authority.



- 4 THAT the regulations contained in the document attached to these written resolutions of the Company and initialled for the purpose of identification be and are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

Dated: 2 November 2006

Signed: 

Sole member

Print name: AS DULY AUTHORISED ATTORNEY  
OF SHOOSMITHS DIRECTORS LIMITED

**Company No. 5859746**

**COMPANIES ACTS 1985 AND 1989**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF**

**G C Netherton Limited**

**Incorporated on: 27 June 2006**

**SHOOSMITHS  
Witan Gate House  
500-600 Witan Gate West  
Milton Keynes MK9 1SH  
Tel: 08700 868300  
Fax: 08700 868301  
Ref: DJ 156689.1**

**COMPANIES ACTS 1985 AND 1989**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**of**

**G C Netherton Limited**

- 1 The name of the Company is G C Netherton Limited. —
- 2 The Registered Office of the Company will be situated in England and Wales.
- 3 Object
  - 3.1 The object of the Company is to carry on business as a general commercial company.
  - 3.2 Without prejudice to the generality of the object and the powers of the Company derived from Section 3A of the Companies Act 1985 the Company has power to do all or any of the following things:
    - 3.2.1 To buy, sell, manufacture, repair, alter, improve, manipulate, prepare for market, let on hire, and generally deal in all kinds of plant, machinery, apparatus, tools, utensils, materials, produce, substances, articles and things for the purpose of any business carried on by the Company from time to time or which are likely to be required by customers or other persons having, or about to have, dealings with the Company;
    - 3.2.2 To build, construct, maintain, alter, enlarge, pull down and remove or replace any buildings, shops, factories, offices, works, machinery, engines and to clear sites for the same or to join with any person, firm or company in doing any of the things aforesaid and to work, manage and control the same or join with others in so doing;

- 3.2.3 To enter into contracts, agreements and arrangements with any other company for the carrying out by such other company on behalf of the Company of any of the objects for which the Company is formed;
- 3.2.4 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;
- 3.2.5 To acquire, undertake and carry on 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 or which may in the opinion of the directors be capable of being conveniently carried 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;
- 3.2.6 To acquire an interest in, amalgamate with or enter into partnership or into any arrangement for the sharing of profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise with any company, or with any employees of the Company. To lend money to, guarantee the contracts of, or otherwise assist any such

company, and to take or otherwise acquire shares or securities of any such company. To sell, hold, re-issue, with or without guarantee, or otherwise deal with the same;

- 3.2.7 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;
- 3.2.8 To invest and deal with the moneys of the Company in such manner as may from time to time be determined by the directors and to hold or otherwise deal with any investments made;
- 3.2.9 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*;
- 3.2.10 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;
- 3.2.11 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;

- 3.2.12 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;
- 3.2.13 To establish, grant and take up agencies in any part of the world, and to do all such other things as the Company may deem conducive to the carrying on of the Company's business, either as principals, or agents, and to remunerate any persons in connection with the establishment or granting of such agencies upon such terms and conditions as the Company may think fit;
- 3.2.14 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;
- 3.2.15 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;
- 3.2.16 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;

- 3.2.17 To promote, finance or assist any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of 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;
- 3.2.18 To sell, lease, exchange, let on hire, or dispose of any real or personal property or the undertaking of the Company, or any part of parts thereof, for such consideration as the directors shall approve, and, in particular, for shares whether fully or partly paid up, debentures or securities of any other company, whether or not having objects altogether, or in part, similar to those of the Company, and to hold and retain any shares, debentures or securities so acquired, and to improve, manage, develop, sell, exchange, lease, mortgage, dispose of, grant options over or turn to account or otherwise deal with all or any part of the property or rights of the Company;
- 3.2.19 To remunerate any company for services rendered or to be rendered, in placing, or assisting to place, or guaranteeing the placing or procuring the underwriting of any of the shares or debentures, or other securities of the Company or of any company in which this Company may be interested or propose to be interested, or in or about the conduct of the business of the Company, whether by cash payment or by the allotment of shares, or securities of the Company credited as paid up in full or in part, or otherwise;



- 3.2.20 To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts;
- 3.2.21 To remunerate any person, firm or company rendering services to the Company either by cash payment or by 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;
- 3.2.22 To pay out of the funds of the Company all or any expenses which the Company may lawfully pay of or incidental to the formation, registration, promotion and advertising of or raising money for the Company, and the issue of its capital including those incurred in connection with the advertising or offering the same for sale or subscription, including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares or other securities;
- 3.2.23 Generally to purchase, take on lease or exchange, hire, or otherwise acquire any real or personal property and any rights or privileges over or in respect of it;
- 3.2.24 To receive money on deposit on such terms as the directors may approve;
- 3.2.25 To adopt such means of making known the businesses and products of the Company as may in the opinion of the directors seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations;
- 3.2.26 To support, subscribe or contribute to any charitable or public object and to support, subscribe or contribute 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 or 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 of 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;

- 3.2.27 To establish and contribute to any scheme for the purchase or subscription by trustees of shares in the Company to be held for the benefit of the employees of the Company or any subsidiary, allied or associated Company, and to lend money to such employees or to trustees on their behalf to enable them to purchase or subscribe for shares in the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees or any of them;
- 3.2.28 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;
- 3.2.29 To purchase and maintain insurance for the benefit of any person who is an officer or employee, or former officer or employee, of the

Company or of a subsidiary of the Company or in which the Company has an interest whether direct or indirect or who is or was trustee of any retirement benefits scheme or any other trust in which any such officer or employee or former officer or employee is or has been interested indemnifying such person against liability for negligence, default, breach of duty or breach of trust or any other liabilities which may lawfully be insured against;

- 3.2.30 To distribute among the shareholders in specie any of the property of the Company or any proceeds of sale or disposal of any property of the Company and for such purpose to distinguish and separate capital from profits, but so that no distribution amounting to a *reduction of capital shall be made except with the sanction (if any) for the time being required by law;*
- 3.2.31 To procure the Company to be registered or recognised in any part of the world;
- 3.2.32 To do all or any of the things or matters aforesaid in any part of the world and either as principals, agents, contractors, trustees or otherwise, and by or through agents, brokers, sub-contractors or *otherwise and either alone or in conjunction with others;*
- 3.2.33 To amalgamate with any other company;
- 3.2.34 To do all such other things as are in the opinion of the directors incidental or conducive to the attainment of the Company's objects or any of them, or the exercise of all or any of its powers;

AND so that:-

- 3.2.35 None of the objects set forth in any sub-clause of this 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;

3.2.36 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 sub-clause contained the objects of a separate Company;

3.2.37 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;

3.2.38 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 share capital of the Company is £100,000 divided into 50,000 "A" ordinary shares of £1 each and 50,000 "B" ordinary shares of £1 each.

**THE COMPANIES ACTS 1985 and 1989**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**of**  
**G C NETHERTON LIMITED<sup>1</sup>**

(as adopted by written special resolution on 8 November 2006)

- 1.1 The regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 (as amended) ("**Table A**") shall apply to the Company save insofar as they are excluded or modified hereby.
- 1.2 The regulations of Table A numbered 2, 3, 8, 38, 39, 40, 41, 50, 54, 60, 61, 64, 65, 73, 74, 75, 76, 77, 78, 79, 80, 81, 84, 89, 90, 94, 95, 96, 97, 98, 109, 115 and 118 shall not apply. The regulations of Table A numbered 1, 24, 35, 37, 45, 46, 53, 57, 59, 62, 66, 67, 68, 88, 91, 110, 112 and 116 shall be modified. Subject to such exclusions and modifications, and in addition to the remaining regulations of Table A, the following shall be the articles of association of the Company.
- 1.3 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution shall also be effective, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution shall also be effective.
- 1.4 In these Articles:

**"Act"** means the Companies Act 1985, including any modification or re-enactment from time to time whether before or after the date of adoption of these articles and regulation 1 of Table A shall be modified accordingly;

**"A" Director** has the meaning set out in Article 28;

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

**"Associate"** means, in relation to a member, an associated company of the member as defined in section 416 of the Income and Corporation Taxes Act 1988;

**"B" Director** has the meaning set out in Article 28;

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

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<sup>1</sup> The Company changed its name from SHOO 268 Limited to G C Netherton Limited by written special resolution dated 12 October 2006.

**"Transfer Notice"**

has the meaning set out in Article 9.1.

- 1.5 Words and expressions contained in these articles which are not defined in paragraph 1.1 have, unless the contrary is indicated, the same meaning as in the Act, but excluding any modification to or re-enactment of the Act not in force at the date of adoption of these articles and regulation 1 of Table A shall be modified accordingly.

**PRIVATE COMPANY**

2. The Company is a private company limited by shares and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

**SHARE CAPITAL**

- 3.1 At the date of adoption of these articles the authorised share capital of the Company is £100,000 divided into 50,000 "A" Shares of £1 each and 50,000 "B" Shares of £1 each. The "A" Shares and the "B" Shares shall entitle the holders of those shares to the respective rights and privileges and subject them to the respective restrictions and provisions contained in these articles.
- 3.2 All the "A" Shares and all the "B" Shares for the time being in issue shall constitute separate classes of shares respectively for the purposes of these articles and the Act, but, except as otherwise provided by these articles, the "A" Shares and "B" Shares shall rank *pari passu* in all respects.
- 3.3 The rights conferred upon the holders of the "A" Shares and "B" Shares shall be deemed to be varied by:
- 3.3.1 the reduction of the capital paid up on any of those shares;
- 3.3.2 by the creation or issue of further shares ranking in priority to them for the payment of a dividend or of capital; or
- 3.3.3 any amendment to the memorandum of association or these articles, but shall not be deemed to be varied by:
- (a) the creation or issue of further shares ranking subsequent to them; or
- (b) by the Company purchasing an equal number of "A" Shares and "B" Shares.
4. Subject to the provisions of these articles and the Act, the directors shall have authority to allot, grant options over, offer or otherwise deal with or dispose of any unissued shares (whether forming part of the original or any increased share capital) on such terms and conditions as the Company may by ordinary resolution determine.
5. Subject to the provisions of the Act, shares may be issued 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 Company before the issue of the shares may by special resolution determine.
6. The pre-emption provisions of sub-section 89(1) of the Act and the provisions of sub-sections 90(1) to (6) inclusive of the Act shall not apply to any allotment of the Company's equity securities.

## LIEN

7. The Company shall have a first and paramount lien on every share registered in the name of a member (whether solely or jointly with others) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of the share or payable by the member or the member's estate to the Company. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article if the declaration applies in respect of each "A" Share and each "B" Share in a like manner. The Company's lien on a share shall extend to any amount payable in respect of it.

## PERMITTED TRANSFERS

- 8.1 A member may at any time transfer all of its shares ("**Relevant Shares**") to an Associate of the member. The Associate may at any time transfer all of the Relevant Shares to the member or another Associate of the member Provided That without prejudice to the generality of the foregoing:
  - 8.1.1 in the case of the "A" Shares and for so long as these are owned by Countrywide Property Holdings Plc (Company No 05147491) (being Relevant Shares for the purposes of this Article 8.1) such shares may be transferred to Countrywide Homes Limited (Company No 3308648) or any company which is a member of the group of companies of which the aforesaid company is a member or an Associate thereof or any other company which is wholly owned or controlled by John Gary Downer; and
  - 8.1.2 in the case of the "B" Shares and for so long as these are owned by JJ Gallagher Limited (Company No. 3035968) such shares may be transferred to any other company which is wholly owned or controlled by Anthony Christopher Gallagher.

Article 9 shall not apply to the transfer of any Relevant Shares pursuant to this Article 8.1.

- 8.2 If Relevant Shares have been transferred under Article 8.1 (whether directly or by a series of transfers) by a member ("**Transferor**") which expression shall not include a second or subsequent transferor in a series of transfers) to its Associate ("**Transferee**") and subsequently the Transferee ceases to be an Associate of the Transferor then the Transferee shall forthwith transfer the Relevant Shares to the Transferor or at the Transferor's option to an Associate of the Transferor. If the Transferee fails to transfer the Relevant Shares within twenty-eight days of the Transferee ceasing to be an Associate of the Transferor then the Transferee shall be deemed to have served a Transfer Notice in respect of the Relevant Shares and the provisions of Article 9 shall apply accordingly. The Transfer Notice shall not be withdrawn in any circumstances.
- 8.3 The directors may require the holder of the Relevant Shares or the person named as transferee in any transfer lodged for registration to furnish the directors with such information as the directors may reasonably consider necessary for the purpose of ensuring that a transfer of shares is permitted under Article 8.1. If the information is not provided within twenty-eight days of the request the directors may refuse to register the transfer of the Relevant Shares.

## TRANSFERS

- 9.1 Before a member ("**Vendor**") transfers or disposes any share or any interest in any share the Vendor shall give notice in writing ("**Transfer Notice**") to the Company of its desire to do so.

- 9.2 The Transfer Notice:
- 9.2.1 shall specify the number and class of shares desired to be transferred or disposed of ("**Offered Shares**" and "**Offered Share**" shall be construed accordingly);
  - 9.2.2 shall specify the price per share which the Vendor is willing to accept for the Offered Shares;
  - 9.2.3 shall constitute the Company by its directors as the Vendor's agent to offer and sell the Offered Shares to the other member ("**Purchaser**") at the price per share specified in the Transfer Notice or as determined in accordance with Article 9.4; and
  - 9.2.4 shall not be withdrawn except as provided in Article 9.5 and 9.10.2(a).
- 9.3 Upon receipt of the Transfer Notice the directors shall serve a copy of it on the Purchaser with the request that the Purchaser inform the directors in writing within seven days of receipt by the Purchaser of the Transfer Notice whether it accepts the price per share stipulated by the Vendor. If the Purchaser accepts the price, then the Offered Shares shall be offered by the Vendor to the Purchaser at that price and the provisions of Article 9.7 shall apply. If the Purchaser does not accept the price, then the directors shall on the expiry of the seven day period forthwith instruct the auditors of the Company to determine the fair value of each Offered Share ("**Fair Value**"). Subject to Article 9.5, the costs of the auditors in determining the Fair Value shall be borne by the Vendor.
- 9.4 In determining the Fair Value, the auditors shall:
- 9.4.1 be considered to be acting as experts and not as arbitrators; and
  - 9.4.2 value the Offered Shares using the following principles:
    - (a) valuing the Offered Shares as on an arm's length sale between a willing vendor and a willing purchaser;
    - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
    - (c) the Offered Shares are capable of being transferred without restriction;
    - (d) each share whatever its class has the same value corresponding to its proportion of the value of all the shares taken as a whole;
    - (e) no reduced or additional value is attached to any holding of shares by virtue only of the holding comprising or after purchase conferring a majority or minority of the total issued share capital; and
    - (f) the application in all other respects of principles and practices consistent with those customarily applied in the previous audited accounts of the Company.
- 9.5 After receiving the auditors' determination of the Fair Value in writing, the Company shall deliver a copy of the auditors' determination to the Vendor. Within seven days after delivery of the auditor's determination, the Vendor may if the Fair Value is lower than the price for the Offered Shares specified in the Transfer Notice withdraw the Transfer Notice and cancel the Company's authority to sell the Offered Shares by delivering to the Company a written undertaking to pay the cost of obtaining the auditors' determination and written notice of withdrawal. The Vendor may not otherwise withdraw the Transfer Notice or cancel the



Company's authority to sell the Offered Shares except with the written consent of the directors or pursuant to Article 9.10.2.

- 9.6 If the Vendor has not withdrawn the Transfer Notice pursuant to Article 9.5 within fourteen days after delivery of the auditors' determination the Company shall offer the Offered Shares to the Purchaser at the lower of the price per share specified in the Transfer Notice and the Fair Value. The offer shall limit the time not being less than twenty-eight days within which it may be accepted.
- 9.7 The Company shall forthwith give notice ("**Allocation Notice**") of the acceptance of the offer to purchase the Offered Shares in accordance with Article 9.3 or 9.6 to the Vendor and to the Purchaser. The Allocation Notice shall specify:
  - 9.7.1 the price of the Offered Shares ("**Transfer Price**"); and
  - 9.7.2 the place and time (being not earlier than fourteen and not later than twenty-eight days after the date of the Allocation Notice) at which the Transfer Price is to be paid by the Purchaser and the Offered Shares are to be transferred by the Vendor.
- 9.8 The Vendor shall be bound to transfer the Offered Shares against tender of the Transfer Price in accordance with the terms of the Allocation Notice.
- 9.9 If after having become bound to transfer the Offered Shares pursuant to Article 9.7 the Vendor defaults in transferring the Offered Shares, then the following provisions shall apply:
  - 9.9.1 the Company may receive the purchase money and the Vendor shall be deemed to have appointed any director or the secretary as the Vendor's agent to execute a transfer of the Offered Shares in favour of the Purchaser and to receive the purchase money in trust for the Vendor;
  - 9.9.2 the receipt of the Company for the purchase money shall be a good discharge to the Purchaser and after it has been entered in the register of members in purported exercise of the power the validity of the proceedings shall not be questioned by any person; and
  - 9.9.3 the Vendor shall be bound to deliver up the share certificate for the Offered Shares and on its delivery shall be entitled to receive the purchase price without interest. If the certificate comprises any shares which the Vendor has not become bound to transfer the Company shall issue to the Vendor a share certificate for the balance of those shares.
- 9.10 If the Purchaser does not accept the offer to purchase the Offered Shares in accordance with Article 9.6 or if through any fault of the Purchaser the purchase of the Offered Shares is not completed in accordance with the terms of the Allocation Notice, then the following provisions shall apply:
  - 9.10.1 the Company shall notify that fact to the Vendor; and
  - 9.10.2 the Vendor may either:
    - (a) withdraw the Transfer Notice and cancel the Company's authority to sell the Offered Shares by delivering to the Company a written notice of withdrawal; or
    - (b) (subject always to the provisions of Article 9.12) before the expiration of six months after receiving the notification referred to in Article 9.10.1 elect by notice in writing to the Company to transfer the Offered Shares to any person at a price not lower than

the Transfer Price and on terms not more favourable than those offered to the Purchaser and subject to the condition that any proposed purchaser of the Offered Shares must enter into a deed with the Company and the Purchaser agreeing to discharge in full on completion of the transfer of the Offered Shares any outstanding obligations of the Vendor towards the Company or the Purchaser.

- 9.11 If the Vendor has withdrawn the Transfer Notice in accordance with Article 9.10.2(a) or the Vendor is unable to find a purchaser for the Offered Shares in accordance with Article 9.10.2(b), then:
- 9.11.1 the Vendor may within the period of ten days after the date of service of notice of withdrawal pursuant to Article 9.10.2(a) or the expiry of the six month period referred to in Article 9.10.2(b) (as the case may be) warn the Purchaser by notice in writing of its intention to require by notice in writing within thirty days that the Company be wound up; and
- 9.11.2 immediately upon the expiry of that thirty day period the Vendor shall by written notice either withdraw its intention to require that the Company be wound up or so require. In the latter event, each member shall take all such steps as may be necessary to wind up the Company.
- 9.12 The Vendor shall give written notice to the Purchaser of its intention to dispose of the Offered Shares pursuant to Article 9.10.2(b), the identity of the proposed transferee, the proposed transferee's business and the price agreed to be paid by the proposed transferee for the Offered Shares.
- 9.13 If within twenty-one days of the receipt of the notice under Article 9.12 the Purchaser informs the Vendor in writing that in the Purchaser's reasonable opinion the proposed transferee is a competitor of the Company (as defined in Article 9.14), the Vendor shall again offer the Offered Shares to the Purchaser at the price referred to in Article 9.10.2(b) and the Purchaser shall have twenty-one days from the date of the offer to accept it. If the offer is not accepted, the Vendor may dispose of the Offered Shares to the proposed transferee, and on the terms, notified pursuant to Article 9.10.2(b).
- 9.14 For the purposes of Article 9.13 a "**competitor of the Company**" means any person, firm, company, or undertaking which carries on either alone or jointly with, through (which includes by ownership of any shares, and direct or indirect control) or on behalf of (whether as director, partner, consultant, manager, employee, agent or otherwise) any person, directly or indirectly a business similar to that carried on by the Company. Any dispute as to whether a proposed transferee is a competitor of the Company shall be referred for final resolution to an independent expert appointed by agreement between the Vendor or the Purchaser or in default of agreement within thirty days of receipt of the Purchaser's notice referred to in Article 9.13 by the President for the time being of the Law Society upon the application of either the Vendor or the Purchaser. The costs of the expert shall be borne by the Vendor and the Purchaser equally.
10. An obligation to transfer a share pursuant to Articles 8.2 or 9 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in the share free from all liens, mortgages, charges, encumbrances and other third party rights of whatever nature.
11. The directors shall register the transfer of a share to any person only if the transfer has been carried out in accordance with these Articles and the terms and conditions of the agreement dated [ ] 2006 between (1) JJ Gallagher Limited (2) Countrywide Property Holdings Plc and (3) the Company and in no other circumstances and the first sentence of regulation 24 of Table A shall not apply.

## **PURCHASE OF OWN SHARES**

12. Regulation 35 of Table A shall be modified by the deletion of the words "otherwise than out of distributable profits of the company or the proceeds of a fresh issue of shares" and the substitution for them of the words, "whether out of its distributable profits or out of the proceeds of a fresh issue of shares or otherwise".

## **NOTICE OF GENERAL MEETINGS**

13. Regulation 37 of Table A shall be modified by the deletion of the words "eight weeks" and the substitution for them of the words "twenty-eight days".
14. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or an elective resolution shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting, other than a meeting called for the passing of an elective resolution, may be called by shorter notice if it is so agreed:
- 14.1 in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- 14.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote, being (i) a majority together holding not less than such percentage in nominal value of the shares giving that right as has been determined by elective resolution of the members in accordance with the Act, or (ii) if no such elective resolution is in force, a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.

## **PROCEEDINGS AT GENERAL MEETINGS**

- 15.1 No business shall be transacted at any general meeting unless a quorum is present.
- 15.2 A quorum shall be two members present in person or by proxy or a representative duly authorised of whom one member shall be a holder of "A" Shares and one member shall be a holder of "B" Shares.
- 15.3 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company. The person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member. Unless the directors otherwise decide, a copy of such authority certified notarially or in some other way approved by the directors shall be left at or sent by post or facsimile transmission to the office or such other place within the United Kingdom as the directors may determine before such representative is entitled to exercise any power on behalf of the corporation which he represents.
- 15.4 If within half an hour of the time appointed for a meeting a quorum is not present the meeting shall stand adjourned to the same day fourteen days later at the same time and place and if at an adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting the meeting shall be dissolved/the members present and entitled to vote shall constitute a quorum.

- 15.5 Notice of a meeting adjourned for absence of a quorum shall be given to all members. If a general meeting at which a quorum is present is adjourned it shall not be necessary to give any notice of the adjourned meeting and regulation 45 of Table A shall be modified accordingly.
- 16 A poll may be demanded by the chairman or by any member present in person or by proxy or a representative and entitled to vote and regulation 46 of Table A shall be modified accordingly.
- 17 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not have a second or casting vote.
- 18 Regulation 53 of Table A shall be modified by the addition at the end of the following sentence: "If such a resolution in writing is described as a special resolution or as an extraordinary resolution or as an elective resolution, it shall have effect accordingly".

### **VOTES OF MEMBERS**

- 19.1 Subject to Articles 19.2 and 19.3 and to any rights or restrictions attached to any share, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for each share held by the member.
- 19.2 No share of either class shall confer any right to vote upon a resolution for the removal from office of a director appointed by holders of shares of the other class.
- 19.3 If at any meeting a member is not present in person or by proxy or a representative the votes exercisable on a poll in respect of the shares of the same class held by members present in person or by proxy or a representative shall be pro tanto increased (fractions of a vote by any member being permitted) so that those shares shall together entitle those members to the same aggregate number of votes as would be cast in respect of all the shares of that class if all the holders of those shares were present in person.
- 20 Regulation 57 of Table A shall be modified by the inclusion after the word "shall" of the phrase "unless the directors otherwise determine".
- 21 Regulation 59 of Table A shall be modified by the addition at the end of the following sentence: "Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of the meeting".
- 22 An instrument appointing a proxy shall be in writing in any form which is usual or in which the directors may approve and shall be executed by or on behalf of the appointor.
- 23 Regulation 62 of Table A shall be modified by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post or by facsimile transmission to", by the substitution in paragraph (a) of the words "one hour" in place of "48 hours" and by the substitution in paragraph (b) of the words "one hour" in place of "24 hours".

### **NUMBER OF DIRECTORS**

24. The number of directors (other than alternate directors) shall not exceed 4 and the minimum number shall be two.

## **ALTERNATE DIRECTORS**

25. Each class of members with a right to appoint a director pursuant to these articles may appoint any person to be an alternate director in the place of such director for such period as it determines and the alternate need not be approved by resolution of the directors.
26. Regulation 68 of Table A shall be modified by the deletion of the words "by the director" and by the substitution for them of the words "by the members" and by the addition at the end of the following sentence: "Any such notice may be left at or sent by post or facsimile transmission to the office or such other place as may be designated for the purpose by the directors".

## **POWERS OF DIRECTORS**

27. Subject to the approval by ordinary resolution the directors may exercise all the powers of the Company to borrow and raise money and to mortgage and charge all or any part of the undertaking, property and uncalled capital of the Company and, subject to the provisions of the Act, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

## **APPOINTMENT AND REMOVAL OF DIRECTORS**

- 28.1 The holders for the time being of a majority of the "A" Shares may from time to time appoint up to 2 persons to be directors and these directors and any alternate shall be called "A" Directors. The holders for the time being of a majority of the "B" Shares may from time to time appoint up to 2 persons to be directors and these directors and any alternate shall be called "B" Directors.
- 28.2 If there is a vacancy for the appointment of an "A" Director or a "B" Director and the holders of the majority of the "A" Shares or the "B" Shares (as the case may be) have not filled the vacancy in the manner set out in this article within ninety days of the creation of the vacancy, the Company shall convene a separate class meeting of the holders of "A" Shares or "B" Shares (as the circumstances require) to elect a replacement "A" Director or "B" Director. The provisions of these articles relating to general meetings shall apply to a separate class meeting, except that a quorum for the meeting shall be the holders of shares of the relevant class, present in person or by proxy or a representative.
- 28.3 Each "A" Director and "B" Director may at any time be removed from office by the holders of a majority of the "A" Shares or "B" Shares (as the case may be).
- 28.4 A director appointed by a class of members pursuant to this article shall cease to be a director from the date on which the members of the class at the time of his appointment cease to be members.
- 28.5 Any appointment or removal of a director shall be made by notice in writing served on the Company and signed by the persons appointing or removing the director. In the case of a corporation the notice may be signed on its behalf by a director or the secretary of the corporation or by its duly appointed attorney or duly authorised representative.
29. The directors shall not be subject to retirement by rotation. Regulations 73, 74 and 75 of Table A shall not apply, and reference in any other regulation to retirement by rotation shall be disregarded.

- 30 No person shall be or become incapable of being appointed a director by reason only of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person, and no director shall vacate his office at any time by reason only of the fact that he has attained the age of seventy or any other age. Section 293 of the Act shall not apply to the Company.

#### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 31 The office of a director shall be vacated if:
- 31.1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director;
  - 31.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - 31.3 he becomes, in the opinion of all his co-directors incapable by reason of mental disorder of discharging his duties as director;
  - 31.4 he resigns his office by notice in writing to the Company; or
  - 31.5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and his alternate director (if any) shall not during this period have attended any meetings instead of him, and the directors resolve that his office be vacated.

#### **DIRECTORS' INTERESTS**

32. Without prejudice to the obligation of any director to disclose his interest in accordance with section 317 of the Act, a director may vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty and if he does so vote his vote shall be counted and he shall be counted in the quorum present at a meeting in relation to any such resolution.

#### **PROCEEDINGS OF DIRECTORS**

33. Regulation 88 of Table A shall be modified by the exclusion of the third sentence and the substitution of the following sentence: "Every director shall receive notice of a meeting, whether or not he is absent from the United Kingdom." and by the exclusion of the fourth sentence and the substitution of the following sentence: "In the case of an equality of votes the chairman shall not have a second or casting vote".
34. The quorum for the transaction of business of the directors shall be one "A" Director and one "B" Director.
35. Unless agreed by all the directors not less than seven days notice in writing shall be given of all meetings of the directors.
36. Each notice convening a meeting of the directors shall:
- 36.1 be sent to the address notified from time to time by each director to the secretary (or if none has been supplied, to his last known address); and
  - 36.2 contain an agenda specifying in, reasonable detail the matters to be discussed at the meeting and shall be accompanied by any relevant paper for discussion at the meeting.

37. If within half an hour of the time appointed for a meeting of the directors a quorum is not present the meeting shall stand adjourned to the same day seven days later at the same time and place unless agreed by all the directors. If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting the directors present shall constitute a quorum. Notice of a meeting adjourned for absence of a quorum shall be given to all directors.
38. Regulation 91 of Table A shall be modified by the exclusion of the first sentence and the substitution of the following sentences: "The chairman of the board of directors shall alternate every one year between a director appointed by the holders of the majority of the "A" Shares and a director appointed by the holders of the majority of the "B" Shares. The chairman for the first year from the date of adoption of these articles shall be appointed the holders of the majority of the "A" Shares".
39. Any director or his alternate may validly participate in a meeting of the directors or a committee of directors through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the directors or a committee of the directors shall for the purposes of the articles be deemed to be validly and effectively transacted at a meeting of the directors or of a committee of the directors notwithstanding that fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
40. If and for so long as there is a sole director, he may exercise all the powers conferred on the directors by the articles by resolution in writing signed by him, and regulations 88, 89, 91, 92 and 93 of Table A shall not apply.

#### **DIVIDENDS**

41. The directors may deduct from any dividend or other moneys payable to any member on or in respect of a share any moneys presently payable by him to the Company in respect of that share.

#### **CAPITALISATION OF PROFITS**

42. The directors may, with the authority of an ordinary resolution of the Company, resolve that any shares allotted under regulation 110 of Table A to any member in respect of a holding by the member of any partly paid shares shall, so long as those shares remain partly paid rank for dividends only to the extent that the partly paid shares rank for dividend. "A" Shares and "B" Shares allotted pursuant to regulation 110 of Table A shall be allotted to holders of "A" Shares and "B" Shares respectively. Regulation 110 of Table A shall be modified accordingly.

#### **NOTICES**

43. Regulation 112 of Table A shall be modified by the deletion of the last sentence and the substitution of the following sentence: "Any member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at that address".
44. Any notice sent to any member (or any other person entitled to receive notices under the articles) by the Company by post to an address within the United Kingdom shall be deemed to

have been given within twenty-four hours, if prepaid as first class, and within forty-eight hours, if prepaid as second class, after the same shall have been posted. Any such notice sent by post to an address outside the United Kingdom shall be deemed to have been given within seventy-two hours, if prepaid as airmail. In proving the giving of notice it shall be sufficient to prove that the envelope containing the same was properly addressed, prepaid and posted. Any notice not sent by post but left at a member's registered address shall be deemed to have been given on the day it was so left.

45. Regulation 116 of Table A shall be modified by the deletion of the words "within the United Kingdom".

#### **INDEMNITY**

46. Subject to the provisions of the Act, but without prejudice to any indemnity to which he may otherwise be entitled, every director, alternate director, secretary, auditor or other officer or employee of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses, damages and liabilities which he may sustain or incur in or about the execution of his duties or the exercise of his powers or otherwise in relation thereto including, without prejudice to the generality of the foregoing, any liability incurred defending any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company in which judgement is given in his favour or in which he is acquitted, or which are otherwise disposed of without any finding or admission of material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
47. The directors may exercise all the powers of the Company to purchase and maintain for any director, auditor or other officer (including former directors and other officers) or any other person insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against.