

Company Number 2205712

The Companies Acts 1985 to 1989

PRIVATE LIMITED COMPANY

SPECIAL RESOLUTION

of

TWIGDEN HOMES LIMITED

Passed 1 June 2004

By written resolution dated 1 June 2004 by the sole member of the Company entitled to attend and vote at a general meeting of the Company, the following resolution was duly passed, such resolutions to have effect as a

SPECIAL RESOLUTION:-

1. "The Memorandum of Association of the Company be and is hereby amended by the deletion in its entirety of existing clause 3 thereof and its replacement with new clause 3 as set out in Document 1 attached hereto and initialled for identification by the signatory hereto;
2. The regulations contained in Document 2 attached hereto and initialled for identification by the signatory hereto be and are hereby adopted as the Articles of Association of the Company in substitution for and to the entire exclusion of the existing Articles of Association of the Company".

 Secretary



3. The objects for which the Company is established are:-

(A) To acquire by purchase, lease, exchange or otherwise for development, investment or resale, and to traffic in land and house property and other real and personal property of any kind or tenure or any interest therein, and to create, reserve, sell and deal in freehold and leasehold ground rents, and to make advances upon the security of land or house or other property or any interest therein and, whether erected or in course of erection, and, whether on first mortgage or subject to a prior mortgage or mortgages; and generally to deal in, traffic by way of sale, lease, exchange or otherwise with land and house property and any other property (whether real or personal) and to turn the same to account as may seem expedient and, in particular by laying out streets, roads and squares, constructing sewers and draining, planting, paving and preparing building sites and, by constructing, reconstructing, altering, repairing, improving, decorating, furnishing and maintaining houses, flats, bungalows, offices, factories, warehouses, wharves, buildings, works and conveniences of all kinds and, by consolidating or connecting or subdividing properties and by leasing and disposing of the same and, by advancing money to and entering into contracts with builders, tenants and others; and to manage any land, buildings or other property as aforesaid, whether belonging to the Company or not, and to collect rent and income and to supply to tenants and occupiers catering and other services and all conveniences and amenities commonly required therein; to acquire and take over businesses or undertakings of all kinds and to carry on or dispose of, remove or put an end to the same or otherwise deal with the same as may seem expedient; and to carry on all or any of the businesses of building and civil engineering contractors, land, estate and property developers, repairers and jobbers, estate agents and managers, mortgage and insurance brokers and agents, surveyors, valuers and auctioneers, general farmers, builders' merchants, plant hire specialists and contractors, merchants of and dealers in plant, machinery, vehicles and appliances of all kinds, painters, decorators and plumbers, haulage and transport contractors, electricians and general engineers.

(B) To purchase, subscribe for or otherwise acquire, and hold and deal with, any shares, stocks, debentures, bonds, or other securities, investments of any nature whatsoever, or any options in respect thereof, and to buy and sell foreign exchange.

(C) To sell or otherwise dispose of the whole or any part of the business and/or undertaking of the Company, either together or in portions for such consideration and on such terms as may be considered expedient.

(D) To improve, manage, construct, repair, develop, exchange, let on lease, or otherwise, 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.

(E) To purchase or otherwise acquire and undertake, and to supervise and manage, all or any part of the business, property, assets and liabilities of any person or company.

(F) To invest and deal with the monies of the Company not immediately required for the purpose of its business in or on such investments or securities and in such manner as may be considered expedient, and to dispose of or vary any

such investments or securities.

(G) To enter into any partnership or into any arrangement for sharing profits or to amalgamate with any person or company carrying on or proposing to carry on any business.

(H) To lend or advance money or give credit with or without security to such persons, companies or corporations, and on such terms as may be considered expedient, and to receive money on deposit or loan from any person, company, or corporation on such terms as may be considered expedient.

(I) To borrow or raise money on such terms and on such security as may be considered expedient and, in particular, but without limiting the generality of the foregoing, by the issue or deposit of debentures, and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon the whole or any part of the undertaking, property and assets of the Company both present and future, including its uncalled capital.

(J) To guarantee in any manner the payment of any moneys, the discharge of any debts and liabilities and the performance of any kind of obligation by any person, firm or corporation, wherever resident, formed or incorporated, including, but without limitation, any corporation which is a holding company, a subsidiary or a fellow subsidiary of the Company, to give any kind of indemnity or other undertaking in relation to the foregoing, to secure any such guarantee, indemnity or undertaking or the payment, discharge and performance of any such moneys, debts, liabilities and obligations by any mortgage, charge, pledge, lien or other security of any kind upon the whole or any part of the undertaking, property and assets of the Company, present and future, wherever situate, including its uncalled capital, and, without prejudice to the generality of the preceding words, to enter into any such transaction in relation to any debenture stock, loan stock, bonds, notes or other securities which have been or may be issued or allotted (whether in England or elsewhere) by any person, firm or corporation, and to effect all kinds of similar transactions under the laws of England or any other country or territory.

(K) To pay for any property, assets or rights acquired by the Company, and to discharge or satisfy any debt, obligation or liability of the Company, either in cash or in shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by any other securities which the Company has power to issue, or partly in one way and partly in another, and generally on such terms as may be considered expedient.

(L) To accept payment for any property, assets or rights disposed of or dealt with or for any services rendered by the Company, or in discharge or satisfaction of any debt, obligation or liability to the Company, either in cash or in shares, with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or in any other securities, or partly in one way and partly in another, and generally on such terms as may be considered expedient.

(M) To form, promote, finance or assist any other company, whether for the purpose of acquiring all or any of the undertaking, property and assets of the Company or for any other purpose which may be considered expedient.

(N) To issue, place, underwrite or guarantee the subscription of, or concur or assist in the issuing or placing, underwriting or guaranteeing the subscription of shares, stocks, debentures, bonds and other securities of any company on such terms as to remuneration and otherwise as may be considered expedient.

(O) To apply for, purchase or otherwise acquire and hold, use, develop, sell, licence or otherwise dispose of or deal with patents, copyrights, designs, trade marks, secret processes, know-how and inventions, and any interest therein, and to make experiments and tests, and to carry on all kinds of research work.

(P) To draw, make, accept, endorse, negotiate, discount, execute, and issue promissory notes, bills of exchange, scrip warrants and other transferable or negotiable instruments.

(Q) To establish and maintain or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and to give or procure the giving of donations, gratuities, pensions, allowances and emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary or holding company of the Company or which is a subsidiary of any holding company or is allied to or associated with the Company, or any such subsidiary or of any of the predecessors of the Company or any such other company as aforesaid, or who may be or have been Directors or Officers of the Company, or of any such other company as aforesaid, and the wives, widows, families and dependants of any such persons, and to establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well being of, the Company or of any other company as aforesaid, or of any such persons as aforesaid, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object, and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid and without prejudice to the generality of the foregoing to act either alone or jointly as trustee or administrator for the furtherance of any of the aforesaid purposes.

(R) To establish, on and subject to such terms as may be considered expedient, a scheme or schemes for or in relation to the purchase of, or subscription for, any fully or partly paid shares in the capital of the Company by, or by trustees for, or otherwise for the benefit of, employees of the Company or of its subsidiary or associated companies.

(S) To the extent permitted by law, to give financial assistance for the purpose of the acquisition of shares of the Company or for the purpose of such an acquisition of shares of the Company or for the purpose of reducing or discharging a liability incurred for the purpose of such an acquisition and to give such assistance by means of a gift, loan, guarantee, indemnity, the provision of security or otherwise.

(T) To subscribe or guarantee money for any national, charitable, benevolent, public, general, political or useful object, and to undertake and execute any trusts the undertaking whereof may be considered expedient, and either gratuitously or otherwise.

(U) To enter into any arrangement with any Government or other authority, supreme, municipal, local or otherwise, and to obtain from any such Government or authority any rights, concessions, privileges, licences and permits, and to promote any legislation, as may be considered expedient.

(V) To distribute among the Members in specie any 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.

(W) To remunerate any person or company rendering service to the Company in any manner and to pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company and of any other company formed, promoted, financed or assisted by the Company, or which the Company shall consider to be in the nature of preliminary expenses in relation to the Company or any such other company, including the cost of advertising, commissions for underwriting, brokerage, printing and stationery, and the legal and other expenses of the promoters.

(X) To carry on any business which, in the opinion of the Directors of the Company, may seem capable of being conveniently carried on in connection with or as ancillary to any of the above businesses or calculated directly or indirectly to enhance the value of or render profitable any of the property of the company or to further any of its objects and to do all other things as may be incidental or conducive to the attainment of any of the objects of the Company.

(Y) To do all or any of the above things in any part of the world, either alone or in conjunction with others, and either as principals, agents, contractors, trustees or otherwise and either by or through agents, contractors, trustees or otherwise.

It is hereby declared (1) that the expressions 'Subsidiary' and 'Holding Company' where they appear in this Clause shall have the meanings ascribed to those expressions by Section 736 of the Companies Act 1985; (2) that, where the context so admits, the word 'Company' in this Clause shall be deemed to include any partnership or other body of persons whether or not incorporated and, if incorporated, whether or not a company within the meaning of the Companies Act 1985; and (3) that the objects specified in each of the sub-clauses of this Clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where otherwise expressed therein) by reference to or inference from the terms of any other sub-clause or the name of the Company, but may be carried out in as full and ample a manner and construed in as wide a sense as if each defined the objects of a separate and distinct company.

INITIALED FOR IDENTIFICATION

BY:

KIER RESIDENTIAL LIMITED

COG

COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

TWIGDEN HOMES LIMITED

(Adopted by Special Resolution dated 2004)

General

1. The regulations contained in Table A as prescribed at the date of adoption of these Articles for the purposes of Section 8 of the companies Act 1985 (such Table being hereinafter referred to as 'Table A') shall apply to the Company (save insofar as they are excluded or varied hereby) and such regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the regulations of the Company.

2. In these Articles 'the Act' means the Companies Act 1985 and every statutory modification or re-enactment thereof for the time being in force.

Share Capital

3. The authorised share capital of the Company at the date of adoption of these Articles is £100 divided into 100 Ordinary Shares of £1 each.

4. Subject to the provisions of the Act and the provisions hereinafter contained the Directors are hereby authorised to exercise the powers of the Company to offer, allot, agree to allot, grant any right to subscribe for, or to convert any security into, and otherwise dispose of any of the shares in the capital of the Company for the time being unissued to such persons (including any Directors) at such times and generally on such terms and conditions as they think proper but subject to any direction to the contrary given by the Company in General Meeting and to the terms on which any shares are created or issued and provided that no shares shall be issued at a discount contrary to the Act.

5. Section 89(1) and Section 90(1) to (6) inclusive of the Act shall not apply to any allotment of equity securities by the Company pursuant to any authority conferred on the Directors pursuant to the Act.

6. The Company is a private company and, accordingly, it may not offer to the public (whether for cash or otherwise) any shares in or debentures of the Company or allot or agree to allot (whether for cash or otherwise) any shares in or debentures of the Company with a view to all or any of those shares or debentures being offered for sale to the public.

7. Subject to the provisions of the Act, any shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder of such shares on such terms and in such manner as may be provided by the Articles for the time being of the Company or as the Company may by resolution determine. Regulation 3 of Table 'A' shall not apply.

8. Subject to the provisions of the Act, the Company may enter into any contract for the purchase of all or any of its shares of any class (including any redeemable shares) and any contract under which it may, subject to any conditions, become entitled or obliged to purchase all or any of such shares and may make payments in respect of the redemption or purchase of such shares otherwise than out of distributable profits of the proceeds of a fresh issue of shares. Every contract entered into in pursuance of this Article shall be authorised by such resolution of the Company as may for the time being be required by law but subject thereto the Directors shall have full power to determine or approve the terms of any such contract. Neither the Company nor the Directors shall be required to select the shares in question rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares. Subject to the provisions of the Act, the Company may agree to the variation of any contract entered into in pursuance of this Article and to release any of its rights or obligations under any such contract. Notwithstanding anything to the contrary contained in the Articles, the rights attaching to any class of shares shall not be deemed to be varied by anything done by the Company in pursuance of this Article. Regulation 35 of Table 'A' shall not apply.

Transfer of Shares

9. The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of any share, whether or not a fully paid share, and Regulation 24 of Table 'A' shall not apply to the Company.

Notice of General Meetings

10. The words "or a resolution appointing a person as a director" in Regulation 38 of Table 'A' shall not apply to the Company.

Conduct of General Meetings

11. At any General Meeting a poll may be directed by the Chairman or demanded by any Member present in person or by proxy. Regulation 46 of Table 'A' shall be modified accordingly.

12. A proxy shall be entitled to vote on a show of hands. Regulation 54 shall be modified accordingly.

13. Regulation 62 of Table 'A' shall not apply to the Company.

Votes of Members

14. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, and not in that case unless it shall, in the opinion of the chairman of the meeting, be of sufficient magnitude to vitiate the result of the voting.

Number of Directors

15. The minimum number of Directors shall be two and there shall be no maximum number. Regulation 64 of Table A shall be modified accordingly.

Delegation of Powers of Directors

16. The Directors may delegate any of their powers to committees consisting of such person or persons (whether Directors or not) as they think fit. Regulation 72 of Table 'A' shall be modified accordingly.

Alternate Directors

17. An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointer as such appointer may by notice in writing to the Company from time to time direct, and the first sentence of Regulation 66 in Table 'A' shall be modified accordingly.

18. A Director, or any such person as is mentioned in Regulation 65 in Table 'A', may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Director or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

19. An alternate Director shall, except as regards remuneration and the power to appoint an alternate, be subject in all respects to the terms and conditions existing with reference to the other Directors of the Company and each alternate

Director whilst so acting shall exercise and discharge all the functions, powers and duties of the Directors whom he represents and shall without prejudice to the generality of the foregoing be entitled, in the absence from the United Kingdom of the Director appointing him, to sign on his behalf a Resolution in writing of the Directors. An alternate Director shall ipso facto cease to be an alternate Director if his appointer ceases for any reason to be a Director and Regulation 67 shall not apply to the Company.

20. The following words shall be added at the end of Regulation 89 of Table 'A', namely: "For the purposes of this Regulation an alternate shall be counted in a quorum separately in respect of each of the Directors for whom he has been appointed alternate but so that no less than two individuals shall constitute a quorum."

Appointment, Retirement and Remuneration of Directors

21. The Directors shall not be obliged to retire from office by rotation and Regulations 73 to 75 of Table 'A' inclusive, the words "other than a director retiring by rotation" in Regulation 76 of Table 'A', the words "(other than a director retiring by rotation at the meeting)" in Regulation 77 of Table 'A', the words "and may also determine the rotation in which any additional directors are to retire" in Regulation 78 of Table 'A', the last two sentences of Regulation 79 of Table 'A' and the last sentence of Regulation 84 of Table 'A' shall not apply to the Company.

22. There shall not be any age limit for Directors and subsections (1) to (6) of Section 293 of the Act shall not apply to the Company. Regulation 81(a) of Table 'A' shall be modified accordingly.

23. Regulation 82 of Table 'A' shall be amended by inserting the words "by way of fee" after the word "remuneration" wherever that word appears.

24. The office of a Director shall be vacated not only upon the happening of any of the events mentioned in Regulation 81 of Table 'A' but also if he is removed from office pursuant to these Articles or if he becomes incapable by reason of illness (including, without limitation, mental illness or disorder) or injury of managing or administering any property or affairs of his own or of the Company and the Directors resolve that his office be vacated. Regulation 81 of Table 'A' shall be modified accordingly.

25. The appointment of any person to any office pursuant to Regulation 84 of Table 'A' may at any time be revoked by the Directors, without prejudice to any rights of the holder of such office in respect of such revocation.

Special Directors

26. The Directors shall have power from time to time by Resolution to appoint

any one or more persons to any post with such descriptive title including that of Director (whether as divisional, departmental, deputy, assistant, local, advisory or otherwise) being hereinafter referred to as a Special Director and the following provisions with regard to any such appointment or appointments shall have effect:

(a) The appointment, tenure of office, remuneration (if any) and scope of duties of a Special Director shall be determined from time to time by the Directors with full power to make such arrangements as they think fit; and the Directors shall have the right to enter into any contracts on behalf of the Company or transact any business of any description without the knowledge or approval of a Special Director, except that no act shall be done that would impose any personal liability on any Special Director except with his full knowledge and consent.

(b) The Directors may also from time to time remove any Special Director from office and if they so decide appoint another in his place, but any such removal shall take effect without prejudice to the rights of either party under any agreement between the Special Director and the Company.

(c) The appointment of a person to be a Special Director may be in place of or in addition to his employment by the Company in any other capacity but unless otherwise expressly agreed between him and the Company the appointment as Special Director shall not affect the terms and conditions of his employment by the company in any other capacity whether as regards duties, remuneration, pension or otherwise. The office as a Special Director shall be vacated if he becomes of unsound mind or bankrupt or makes any arrangement or composition with his creditors generally, or becomes prohibited by law from being concerned or taking part in the management of the Company, or if he resigns his office or is removed from office by a Resolution of the Board.

(d) A Special Director shall not be or be deemed to be a Director of the Company within the meaning of the word as used in the Companies Act 1985 or these Articles and no Special Director shall be entitled to attend or be present at any meetings of the Board or of any committee of Directors unless the Directors shall require him to be in attendance.

(e) A Special Director shall attend meetings of the Directors and of any committee of the Directors whenever called upon to do so and shall at all times be ready to give the Directors the benefit of his knowledge, experience and advice.

Proceedings of Directors

27(a) Directors (or their alternates) or other persons participating in the following manner, shall be deemed to be present in person and to be holding a meeting: any Director (including an alternate Director) or other person may participate in a

meeting of the Directors or a committee of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other. Resolutions and decisions of the kind normally made or taken at a physical meeting of the Directors or a committee in accordance with these Articles can accordingly be so made or taken in circumstances where none or only some of the Directors or other persons are physically present with each other. 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 is.

(b) A Director absent or intending to be absent from the United Kingdom may request the Directors during his absence to send notices of meetings of the Directors to him at such address within the United Kingdom as he may give to the Company for this purpose but in the absence of such a request it shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom.

28. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of Section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the Directors or of any committee of the Directors in accordance with that Section. Subject where applicable to such disclosure 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 which is material and which conflicts or may conflict with the interests of the Company and Regulation 94 of Table 'A' shall not apply to the Company.

29. The Directors may dispense with the keeping of attendance books for meetings of the Directors or committees of the Directors. Regulation 100 of Table 'A' shall be modified accordingly.

30. Whenever a company (hereinafter called 'the Parent Company') shall be the holder of not less than 90 per cent in nominal value of such of the issued share capital for the time being of the Company as carried the right of attending and voting at General Meetings of the Company the following provisions shall apply and to the extent of any inconsistency shall have overriding effect as against all other provisions of these Articles:

(a) the Parent Company may at any time and from time to time appoint any person to be a Director of the Company or remove any Director from office;

(b) none of the powers of the Company to offer, allot, agree to allot, grant any right to subscribe for, or to convert any security into, and otherwise dispose of any of the shares in the capital of the Company for the time being unissued shall be exercised without the consent of the Parent Company; and

(c) any or all powers of the Directors shall be restricted in such respects and

to such extent as the Parent Company may by notice to the company from time to time prescribe.

Any such appointment, removal, consent or notice shall be in writing served on the Company and signed on behalf of the Parent Company by any one of its Directors or some other Officer of the Parent company duly authorised for the purpose.

Appointment of Secretary

31. Two or more persons may be appointed as Joint Secretaries. The Directors may also appoint one or more Assistant Secretaries. Regulation 99 of Table 'A' shall be modified accordingly.

Notices

32. The figure "24" shall be inserted in substitution for the figure "48" in the second sentence of Regulation 115 of Table 'A'. Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the date it was so delivered or left.

INITIALLED FOR IDENTIFICATION
BY:

KIER RESIDENTIAL LIMITED

R. B. G.