

THE COMPANIES ACT 1985

---

PRIVATE COMPANY LIMITED BY SHARES

---

ARTICLES OF ASSOCIATION

of

SMITH BROTHERS BUILDERS LIMITED

*(adopted by Special Resolution dated 9 October 1996)*

---

CONSTITUTION

1. (A) The company is established as a private company within the meaning of the Companies Act 1985, and subject as hereinafter provided the Regulations contained in Table A in the Schedule to The Companies (Tables A to F) Regulations 1985 as amended by The Companies (Tables A to F) (Amendment) Regulations 1985 (such Table being hereinafter called "Table A") shall apply to the Company with the exception of Regulations 8, 24, 25, 26, 40, 42, 43, 46, 47, 64, 70, 81, 85, 86, 89, 93, 94, 95 and 117 of Table A and save in so far 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.
- (B) In these Articles the expression "the Act" means the Companies Act 1985, but so that any reference in these Articles to any provisions 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.

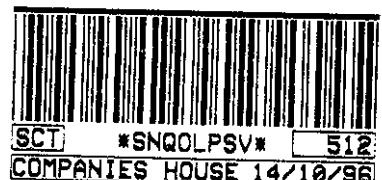
SHARES

2. The authorised share capital of the Company at the date of adoption of these Articles is £500,000 divided into 487,500 ordinary shares of £1 each (each an 'Ordinary Share') and 12,500 B Ordinary Shares of £1 each (each a 'B' Ordinary Share') having the following rights respectively:-

As regards income and capital, the holders of Ordinary Shares and B Ordinary Shares shall be treated *pari passu* as if such shares constituted a single class.

As regards voting, the holders of B Ordinary Shares shall not be

*1/*



entitled to vote, attend or receive notice of general meetings of the Company by virtue of their holding of such shares.

3. Shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the Directors who may (subject to Section 80 of the Act) allot grant options over or otherwise dispose of the same, to such persons, on such terms and in such mann they think fit.

#### LIEN

4. The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share but not for any other monies, indebtedness or liability. The Company's lien, if any, on a share shall extend to all dividends payable thereon.

#### TRANSFER OF SHARES

5. Subject as hereinafter provided, the Directors may not decline to register the transfer of any share in the Company. They may refuse to register a transfer unless:-
  - (a) it is lodged at the office or at such other place as the Directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
  - (b) it is in respect of only one class of shares; and
  - (c) it is in favour of not more than four transferees.

#### PROCEEDINGS AT GENERAL MEETINGS

6. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the Meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
7. The Chairman of the Board of Directors, if any, shall preside at every General Meeting, but if at any Meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the members present shall choose some Director, or if no Director be present, or if all the Directors present decline to take the Chair, they shall choose some member present to be Chairman of the Meeting.
8. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on

the declaration of the result of the show of hands) demanded by at least two persons entitled to vote at the Meeting and being a member or a proxy for a member or a duly authorised representative of a corporation, or by a holder in person or by proxy or as a duly authorised representative of a corporation of at least twenty per cent of the total voting rights of all the members (whether or not present at the Meeting) having the right to vote at the Meeting and unless a poll is so demanded, a declaration by the Chairman that the resolution has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost or not carried by a particular majority, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence thereof without proof of the number or proportion of the votes recorded in favour of or against such resolution.

#### DIRECTORS

9. The number of Directors shall be not less than one and the quorum for the transaction of the business of the directors shall be one.
10. A Director need not be a member of the Company but shall be entitled to receive notice of and to attend all General Meetings of the Company.
11. A Director may be or become a Director or other officer of, or otherwise interested in, any company promoted by the Company or in which the Company may be interested as shareholder or otherwise, and no such Director shall be accountable for any remuneration or other benefits received by him as a Director or officer of or from his interest in such other company. The Directors shall have the right to exercise the voting power conferred by the shares in any other company held or owned by the Company in such manner and in all respects as they think fit, including the exercise thereof in favour of any resolution appointing them or any of their number, directors or officers of such other company or voting or providing for the payment of the remuneration of the director or officers of such other company. A Director may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be or be about to become a director or officer of such other company and, as such or in any other manner, is or may be interested in the exercise of such voting rights as aforesaid.
12. The office of a Director shall be vacated:-
  - (a) if by notice in writing to the Company he resigns the office of Director;
  - (b) if he ceases to be a Director in virtue of Section 293 of the Act;
  - (c) if he becomes bankrupt or insolvent, or enters into any arrangement with his creditors;

- (d) if he becomes of unsound mind; and
- (e) if he is prohibited from being a Director by any order made under the Company Directors Disqualification Act 1986.

#### POWERS AND DUTIES OF DIRECTORS

13. The business of the Company shall be managed by the Directors, who may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of these Articles and of the Act, and to such regulations, being not inconsistent with any provisions of these Articles and of the Act, as may be prescribed by the Company in General Meeting.
14. (A) Subject to the provisions of Sections 320, 321 and 322 of the Act no Director, by virtue of his office, shall be disqualified from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested (whether as a director, other officer or employee of the Company and/or any other company, or otherwise howsoever) be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding such office or of the fiduciary relationship thereby established. The nature of the Director's interest (if any) in such contract or arrangement shall be declared by him at the meeting of the Directors at which the question of entering into such contract or arrangement is first taken into consideration, or, if such Director was not at the date of that meeting interested in the proposed contract or arrangement, at the first meeting of the Directors held after he becomes so interested. A general notice to the Directors by a Director that he is a member of any specified firm or company and is to be regarded as interested in any contract or transaction which may, after the date of the notice, be made with such firm or company shall, (if such Director shall give the same at a meeting of the Directors or shall take reasonable steps to secure that the same is brought up and read at the next meeting of the Directors after it is given), be a sufficient declaration of interest in relation to such contract or transaction under this Article, and after such general notice it shall not be necessary to give any special notice relating to any particular contract or transaction with such firm or company.
- (B) A Director may vote as a Director with regard to any matter, contract or arrangement in which he is interested (whether as a director, other officer or employee of the Company and/or any other company, or otherwise howsoever) and, if he does so vote, his vote shall be counted and shall be reckoned in

estimating a quorum when any such matter, contract or arrangement is under consideration.

- (C) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such office or place of profit or as a vendor purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested, be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of any such Director holding that office or of the fiduciary relationship thereby established.
  - (D) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof.
  - (E) Any Director may act for himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as Auditor to the Company.
15. Without prejudice to any other provisions of these Articles the Directors shall have power to purchase and maintain insurance for and for the benefit of any persons who are or were at any time directors officers or employees of the Company, or of any other company in which the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking (within the meaning of the Companies Act 1989) of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund.

## BORROWING POWERS

16. The Directors may exercise all the powers of the Company to borrow or raise money, to stand surety, to give guarantees, indemnities, support and other obligations and liabilities, and to mortgage or charge or otherwise create security on, over or with respect to all or any part of its business, undertaking, property, assets, revenues and uncalled capital and, subject to Section 80 of the Act, to create, issue or deposit debentures, debenture stock, bonds and other securities, whether outright or as security for any debt, liability or obligation of the Company or any third party.

## PROCEEDINGS OF DIRECTORS

17. A resolution in writing signed by all the Directors entitled to receive notice of a meeting of the Directors (or of a Committee of Directors, as the case may be) or in the case of any Director absent from the United Kingdom signed by any alternate Director entitled to receive notice of a meeting of the Directors (or of a Committee of Directors, as the case may be) shall be as valid and effective as a resolution passed at a meeting of the Directors (or of a Committee of Directors, as the case may be) duly convened and held. Such resolution may consist of several documents in the like form each signed by one or more of the Directors or alternate Directors.

## WINDING UP

18. If the Company shall be wound up the Liquidator may with the sanction of an extraordinary resolution, divide among the members in specie the whole or any part of the assets of the Company, but, in case of any division otherwise than in accordance with the legal rights of the members shall be determined on, any member who would be prejudiced thereby shall have a right to dissent and other ancillary rights as if such restrictions were passed pursuant to Section 110 of the Insolvency Act 1986 and any statutory modification or re-enactment thereof for the time being in force.

## INDEMNITY

19. Subject to the provisions of the Act every director auditor secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs charges losses

expenses and liabilities incurred by him in the execution and discharge of his duties in relation thereto. Regulation 118 of Table A shall be extended accordingly.