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COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES of ASSOCIATION
of
ILIAD MILLER (NO. 2) LIMITED (the "Company")

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1. The regulations contained in Table A in the schedule to the Companies Tables A to F Regulations 1985 ("Table A"), apart from regulations 17, 24, 26, 39, 40, 41, 50, 54, 64, 65, 73-80, 81(e), 86, 88, 91 and 94-98, apply to the Company except insofar as they are inconsistent with these articles.

2. DEFINITIONS

2.1 Definitions adopted for Table A apply in these articles, together with the following definitions:

"A Shares"	the "A" ordinary shares of £1 each;
"A Shareholder"	the holder of an A Share;
"A Director"	a director appointed by the A Shareholders;
"B Shares"	the "B" ordinary shares of £1 each,
"B Shareholder"	the holder of a B Share;
"B Director"	a director appointed by the B Shareholders;
'the Joint Venture Agreement"	the Joint Venture Agreement dated on or about the date of adoption of these articles among Miller Residential Development Services Limited (Company No SC207758), Iliad Group Limited ("Iliad") and the Company, as the same may be amended, adjusted or supplemented from time to time, and capitalised words and phrases used in the Joint Venture Agreement shall unless the context otherwise requires have the same meaning herein;
"Miller Group"	The Miller Group Limited (Company No SC 18135) and any subsidiary or holding company (as defined in section 736 of the Companies Act 1985) of Miller Group Limited or any other subsidiary of such holding company;
"Permitted Transfer"	as defined in Article 9;

"Permitted Transferee" in relation to a member, a person to whom he may make a Permitted Transfer;

"Proposed Transferee" a third party to whom a member wishes to transfer the Vendor's Shares or interest in the Vendor's Shares;

"Subscription Price" means the total amount paid up (including any premium) on each share in the capital of the Company;

"Transfer Notice" a notice relating to a transfer of shares given under article 7.1;

"Vendor" a member who gives a Transfer Notice;

"Vendor's Shares" the shares held by a member who gives a Transfer Notice.

2.2 For the purposes of these articles, a company is Controlled by one or more persons if he or they, in any combination, is or are directly or indirectly the holders of or beneficially interested in shares of the Company conferring in aggregate more than 50 per cent of the voting rights conferred by all its shares.

3. A reference to a "regulation" of a particular number is to the regulation of that number in Table A.

4. **SHARE CAPITAL**

The share capital at that date of incorporation of the Company is £100 divided into 50 "A" shares of £1 each and 50 "B" shares of £1 each. The A Shares and the B Shares constitute different classes of shares but except as expressly provided in these articles, rank pari passu.

5.1 Subject to any contrary direction given by the Company in general meeting and to the provisions of the Act and of these articles, the directors are authorised to create, allot, deal with or dispose of the shares which are authorised but unissued from the date of incorporation of the Company to such persons and on such terms as they think fit. The authority given to the directors shall expire five years from the date of incorporation of the Company but the directors may allot or dispose of shares after the expiry in pursuance of an offer or agreement made by the Company before the expiry.

5.2 Section 89(1) of the Act does not apply to the Company.

5.3 Unless otherwise approved by the Company in general meeting, unissued shares which are to be issued shall be offered by the directors on identical terms to all the members in proportion, as nearly as may be with fractions being disregarded, to their existing holdings of shares. The offer shall be in writing and shall state the number of shares which each member is offered, subscription price to be paid and the period, not being less than 21 clear days, within which the offer, if not accepted, will be deemed to have been declined. If the offers are not accepted in respect of all the shares offered, the directors shall offer the

remaining shares to those members who accepted the first offer in proportion to their existing holdings of shares, the new offer being otherwise on the same terms as the first offer. At the expiration of the first offer and, if one is made, the new offer, the accepting members shall pay the subscription price and the directors shall allot the shares accordingly, the shares allotted to each member being designated the same class the existing shares held by him

LIEN

6 The lien conferred by regulation 8 attaches to all shares, whether fully paid or not, registered in the name of a person indebted or under liability to the Company, whether he is the sole holder of the shares or one of two or more joint holders, and to all distributions and other moneys and property attributable to them. The lien shall be for all sums presently payable to the Company by him or his estate and regulation 8 is modified accordingly.

TRANSFER OF SHARES

7.1 A member who wishes to transfer any shares shall give to the directors a notice offering to sell all the shares held by him. He may specify a Proposed Transferee.

7.2 The Transfer Notice shall constitute the directors the Vendor's agents for the sale of the Vendor's Shares.

7.3 The directors shall, within seven days of the receipt of the Transfer Notice offer all but not only some of the Vendor's Shares in writing to the other members in proportion to their existing holdings of shares, fractions being rounded upwards. Each offer shall specify:

7.3.1 the total number and class of the Vendor's Shares;

7.3.2 the number offered to the offeree;

7.3.3 the Proposed Transferee, if specified in the Transfer Notice; and

7.3.4 state that the price per share will be the Subscription Price;

and shall provide that, if the offeree does not accept the offer in respect of any of the shares allocated within fourteen days of the offer, he shall be deemed to have declined it but that, if he does accept, he shall not be entitled to withdraw his acceptance except as provided in this article. Each offeree shall be asked to state whether he accepts the offer in whole or in part, how many of the Vendor's Shares in excess of his allocation he wishes to purchase.

7.4 If the directors receive applications in respect of all of the Vendor's Shares they shall, as soon as practicable give notice to the Vendor and the accepting members who shall be required by the directors to complete the sale and purchase within a period of twenty eight days.

7.5 If the above procedure does not result in offers for all of the Vendor's Shares the directors shall as soon as reasonably practicable notify the Vendor accordingly, and the Vendor may transfer its shares in accordance with paragraph 7.8

7.6 The Vendor shall be required, by notice given by the directors as soon as practicable after the above procedure has been carried out, to complete the purchases within twenty eight days.

7.7 If the Vendor fails to carry out the sale of any of the shares in accordance with this article, the directors may appoint some person to execute appropriate transfers on his behalf and to give a receipt for the purchase price which shall be paid over to the Vendor. A share of one class which is transferred to the holder of shares of the other class shall be deemed, on registration of the transfer, to be redesignated as a share of the other class unless, following the redesignation, all the issued shares would be of one class.

7.8 If the directors do not find purchasers for all the Vendor's Shares under the above provisions, the Vendor may, within three months after being notified thereof sell the Vendor's Shares for a cash price per share, payable against delivery of an executed share transfer form and the relevant documents of title which is not less than the Subscription Price. If the Vendor's Shares are sold to the Proposed Transferee, the directors shall register the transfer but if the person to whom it is proposed to transfer the Vendor's Shares is not the Proposed Transferee, the directors may refuse to register the transfer to that person.

8.1 Notwithstanding any other provision of these articles if a Relevant Event (as defined in Clause 8.2 below) occurs in relation to a member, he shall be deemed to have given a Transfer Notice to the Company in respect of all his shares at the Subscription Price and not to have specified a Proposed Transferee. In the event of a deemed service of a Transfer Notice in accordance with this Article 8, Article 7.3 shall not apply and the Board shall be entitled to direct to whom the shares the subject of the deemed Transfer Notice should be transferred, provided that any director appointed by the person deemed to have served the Transfer Notice shall not be entitled to vote on any matter relating to such Transfer Notice.

8.2 For this purpose, a Relevant Event is:

8.2.1 the appointment of a receiver, manager, administrative receiver or administrator over any part of its undertaking or assets; or

8.2.2 its liquidation (other than a voluntary liquidation for the purpose of a reconstruction or amalgamation without insolvency); or

8.2.3 its making a voluntary arrangement with its creditors; or

8.2.4 in the case of Iliad a change in the persons by which it is controlled; or

8.2.5 the occurrence of a Termination Event as defined in the Joint Venture Agreement.

9. Article 7 does not apply to any of the following, each being a "Permitted Transfer", to which the directors shall give approval and not be entitled to decline to register:-
 - 9.1 a transfer by Miller Residential Development Services Limited or Miller Group Limited to any member(s) of the Miller Group; and
 - 9.2 a transfer by way of charge or security only and subsequent transfer by the holder of the Charge in enforcement of the security thereunder.
10. The directors may refuse to register a transfer unless it is lodged at the office or at such other place as the directors appoint and is accompanied by the certificate for the shares to which it relates and it is in favour of not more than four transferees but shall otherwise register a transfer made in accordance with Articles 7 or 9.
11. Regulation 25 is amended by replacing "two months" with "fourteen days".

NOTICE OF GENERAL MEETINGS

12. Regulation 37 is amended by replacing "eight weeks" with "four weeks".
- 13.1 The first sentence of regulation 38 is amended by deleting "or a resolution appointing a person as a director".
- 13.2 Notices of meetings need not be given to the directors as such and regulation 38 is modified accordingly.
14. Every notice calling a meeting of the Company shall include, with reasonable prominence, a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not also be a member.

PROCEEDINGS AT GENERAL MEETINGS

15. No business shall be transacted at a general meeting, unless a quorum is present. The quorum is one A Shareholder and one B Shareholder, present in person or by proxy or by duly authorised corporate representative.
16. If a quorum is not present within half an hour of the time appointed for the meeting or if during the meeting a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week, or if that is not a business day to the next following business day, at the same time and place or such other time and place as the directors determine. If, at the adjourned meeting, a quorum is not present within half an hour of

the time appointed for the meeting or if during the meeting a quorum ceases to be present, the meeting shall be dissolved.

17. Paragraph (b) in regulation 46 is replaced with "by any member having the right to vote at the meeting;" and paragraphs (c) and (d) are deleted.
18. On a show of hands or on a poll, the A Shareholders present in person, by proxy or by corporate representative shall together have one vote and the B Shareholders present in person, by proxy or by corporate representative shall together have one vote.

APPOINTMENT AND REMOVAL OF DIRECTORS

19. Unless otherwise determined by special resolution, the minimum number of directors is two and the maximum number four.
20. The holders of 100% of the A Shares may, from time to time appoint (and remove from office) up to two persons as A Directors and the holders of 100% of the B Shares may, from time to time appoint (and remove from office) up to two persons as B Directors.
21. An appointment or removal of a director under Article 20 is effected by a notice, given to the Company by being sent to or left at its registered office by the relevant A Shareholders or B Shareholders.
22. The directors are not subject to retirement by rotation. The last sentence of regulation 84 is accordingly deleted.
23. A person is not disqualified from being a director by having attained any particular age.

ALTERNATE DIRECTORS

24. A director (other than an alternate director) may appoint as his alternate any person who is approved for that purpose by the holders of a majority of the shares of the class by whom he was appointed and may terminate the appointment. An alternate director shall be entitled to receive notice of all meetings of the directors whether he is present in the United Kingdom or not and the last sentence of regulation 66 accordingly does not apply . *In the absence of the directors appointing him, an alternate director shall* (in addition to any voting rights to which he is entitled if he is also a director) be entitled to the same voting rights as his appointor and shall be treated as if he were appointed by the holders of the same class of shares as the shares held by the persons who appointed his appointor.

25. An alternate director ceases to be an alternate for his appointor when his appointor ceases to be a director.
26. Regulation 68 is amended by adding after "by notice to the Company signed by the director making or revoking the appointment" the words "and delivered to the office or tendered at a meeting of the directors".

DIRECTORS' APPOINTMENT AND INTERESTS

27. Regulation 85 is amended by deleting "and provided that he has disclosed to the directors the nature and extent of any material interest of his".

PROCEEDINGS OF DIRECTORS

28. Subject to the provisions of these articles, the directors may regulate their proceedings as they think fit.
29. A director may, and the secretary at the request of a director shall, call a meeting of the directors.
30. The quorum for the transaction of the business of the directors, is one A Director and one B Director
31. If a quorum of directors is not present at a meeting of the directors within half an hour from the time appointed for the meeting or if, during the meeting, a quorum ceases to be present, it shall be adjourned to the same day in the next week, or if that is not a business day to the next following business day, at the same time and place. If at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, or if, during the meeting, a quorum ceases to be present, the meeting shall be dissolved.
32. The members of a committee to which the directors delegate any of their powers must include at least one A director and one B Director and Regulation 72 is amended accordingly.
33. At meetings of the directors and of committees of the directors, each of the A Directors present in person or represented by an alternate shall have a number of votes equal to the number of the B Directors present in person or represented by an

alternate; and each of the B Directors present in person or represented by an alternate shall have a number of votes equal to the number of the A Directors present in person or represented by an alternate.

34. The Chairman of the board, shall not have a second or casting vote.
35. Not less than fourteen clear days' notice of meetings of directors and of committees of the directors shall be given to each of the directors or the members of the committee at his address given for that purpose, whether in the United Kingdom or elsewhere and whether he is present in the United Kingdom or not.
36. The notice of a meeting of the directors or of a committee of the directors shall include an agenda specifying in reasonable detail the matters to be discussed at the meeting. The agenda shall include any item which a director requests the secretary to include in it. No other business shall be discussed at the meeting unless all the directors present otherwise agree. At an adjourned meeting, only business which was specified in the agenda for the original meeting and remains unfinished shall be discussed.
37. A director may participate in a meeting of the directors or of a committee of which he is a member by conference telephone or similar communications equipment by means of which all the persons participating in the meeting can hear each other at the same time. Participation in a meeting in this manner is treated as presence in person at the meeting.
38. A director may vote at a meeting of the directors or of a committee on a resolution which concerns or relates to a matter in which he has, directly or indirectly an interest but he remains obliged in any event to declare his interest in accordance with section 317 of the Act.

MINUTES

39. Regulation 100 is amended by replacing paragraphs (a) and (b) with "of proceedings of general meetings and meetings of the directors".

ACCOUNTS

40. Regulation 109 is amended by replacing "No member shall (as such) have any right of inspecting any accounting records" with "A Member shall be entitled, on giving reasonable notice, to inspect during business hours any accounting records".

NOTICES

41. A notice required by these articles to be given by the Company may be given by any visible form on paper, including telex or facsimile. A notice given by immediate transmission is deemed to have been given at the time that it is transmitted to the person to whom it is addressed. Regulations 111 and 113 are amended accordingly.
42. A member whose registered address is not within the United Kingdom may give to the Company an address either within the United Kingdom or elsewhere at which notice may be given to him and he shall be entitled to have notices given to him at that address. Regulation 112 is amended accordingly.

INDEMNITY

43. Regulation 118 is amended:
- 43.1 by adding after "shall be indemnified out of the assets of the Company" the words "against losses and liabilities which he incurs, otherwise than as a result of his own negligence or default, in connection with the performance of his duties as such and";
- and
- 43.2 by adding after "in which judgement is given in his favour" the words "or where the proceedings are withdrawn or settled on terms which do not include a finding or admission of a material breach of duty by him".