

CLIFDEN GLEN MANAGEMENT (2005) PLC

SHAREHOLDERS' AGREEMENT

(as amended 25th March 2006)

NOW THIS SHAREHOLDERS' AGREEMENT WITNESSETH that in consideration of the mutual covenants, conditions, agreements and payments hereinafter set forth or provided for

WHEREAS:

DEFINITIONS

Clifden Glen Management (2005) Plc ("the Company")

An unquoted public limited company registered in Ireland number 388003.

Offer for Sale Document ("memorandum")

The private and confidential document prepared by Clifden Glen Management (2005) Plc dated 22nd November 2004 and presented only to those people who are partners or property owners on the Clifden Glen site on a private and confidential basis.

PREAMBLE TO AGREEMENT

Overall Agreement philosophy

It is agreed by the shareholders that the company will be operated in the best interest of the company and all its shareholders.

Purpose of this Shareholders' Agreement

The shareholders in Clifden Glen Management (2005) Plc have agreed to enter into this Agreement for the purpose of regulating the future conduct of the business.

The parties hereto mutually agree that the provisions of this Agreement shall take effect immediately upon its execution and shall be binding on all new shareholders who shall sign a statement to this effect before any shares are transferred or new shares issued.

MAIN AGREEMENT

WHEREAS it is agreed as follows:

Altering this Agreement

Any decision to change the Shareholders' Agreement must be agreed in writing by a majority of the shareholders or passed as a resolution at an AGM or EGM of the company.

Each shareholder will vote in accordance with the size of their shareholding in person or by proxy.

This agreement supersedes any prior written or oral agreement made between the shareholders.

This Shareholders' Agreement takes precedent over the Memorandum and Articles of Association of the Company where there is a conflict and when a conflict becomes apparent the Memorandum and Articles should be altered to reflect this Shareholders' Agreement.

Board

The Board will consist of the directors appointed from time to time by the shareholders. No more than five directors may serve at any time and one of these directors will be the chairperson.

Ordinary Board members shall serve for a period of three years at which time they must offer themselves for re-election or retire.

The five Board members shall elect a chairperson who shall be entitled to serve for a period of five years.

Directors must declare their interest at all times in contracts or decisions and must not participate in any decision impacting on their personal interests.

Board decisions

In the absence of unanimity, all Board decisions will be by way of majority voting and the chairman will have an additional single casting vote.

Board remuneration

The Board members will be entitled to payment as follows:

Chairman €6,000 annually on 31st October from 2005.

Directors €3,000 annually on 31st October from 2005.

Individual Board members may set off their remuneration against management fees if they so desire, but only if this proposal is compliant with all legislation.

Future Board fees will be index-linked annually to the Consumer Price Index in Ireland.

Vouched expenses incurred by reason of being a director in the company shall be reimbursed.

Misconduct and dismissal of Director

In the event that any director brings the company into disrepute, the Board is entitled, after due process, to have that person dismissed from the Board.

Site management

All parties to this agreement are committed to ensuring that Clifden Glen is always presented in first-class condition. All parties commit to the "Housekeeping" Agreement appended as Schedule 1 to this Shareholders' Agreement.

Capital expenditure and commitments

All decisions that involve an expenditure of greater than €5,000 or a long-term commitment for a similar amount must be ratified by the Board.

Dividend

Dividends are unlikely to be paid as the company is dedicated to operating on a not-for-profit mutual basis.

Trading shares on the sale of a property

The individuals involved are free to agree their own price for shares they are trading as part of a property or partnership interest transfer, but each lodge holder must hold 500,000 shares and each cottage owner must hold 250,000 shares to participate in the benefits associated with being a shareholder in Clifden Glen Management (2005) Plc.

Death of a shareholder

In the event of the death of a shareholder, the company secretary will facilitate the estate of that shareholder in transferring as soon as possible the shares to the new owner subject to compliance with all taxation and regulatory matters.

Arbitration and dispute resolution

In the event that there is a dispute between the parties relating to this Agreement, the running of the business, the finances or the affairs of the company, then a party may serve notice on the others specifying the nature of the dispute and if such dispute is not resolved within 60 days then the matter must be referred to independent binding arbitration.

The arbitrator shall be agreed by the parties within 30 days and if not agreed then the arbitrator shall be determined by the President of the Incorporated Law Society and the provisions of the Arbitration Acts, 1954 to 1980 shall apply.

The arbitrator shall have authority to decide who pays the arbitration costs and this decision is binding with all the parties.

Notice of meetings and quorums

Adequate notice of the holding of a meeting of the Board will be given to each of the directors by e-mail only and no business shall be transacted at any meeting of the Board unless a quorum of directors is present at the time when the meeting proceeds to business.

Three directors will represent a quorum.

If within half an hour from the time appointed for the meeting, a quorum is not present the meeting shall be adjourned to the same day on the following week at the same time and place, or to such other day and such other time and place, not being earlier than such date as the directors then present may determine, and notice will be given to all of the directors of such adjourned date. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the directors present shall be a quorum.

Meetings of the Board shall be held as required. All meetings of the Board shall be convened by 21 clear days' notice by e-mail to the directors unless otherwise agreed by all of the directors of the company at that time.

The company shall furnish to each director and those entitled to attend directors' meetings, in good time prior to each meeting of the Board, a management report in regard to the current trading and financial affairs of the company. Production of this management report is the responsibility of the executive staff of the company.

Keeping shareholders informed

The company shall keep its shareholders fully informed of the progress of its business and furnish to each of the shareholders, to such extent and in such form and detail as may from time to time be reasonably required and the company can reasonably supply, particulars of any matters concerned with and arising out of the activities of the company, and in particular without limiting the generality of the foregoing shall furnish to the shareholders:

- an audited and certified Balance Sheet and Profit and Loss Account in respect of each financial year of the company forthwith upon the same becoming available and in any event not later than the expiration of four months from the end of the financial year to which the Profit and Loss Account in question relates, together with the directors' and auditors' reports thereon;
- such accounts, budgets and other information relating to the business of the company and in such form as any of the shareholders may from time to time reasonably require;

- provided always that all confidential information thereby obtained shall be preserved as confidential to the company.

Decision making on the Board

Save with the agreement of the majority of the shareholders, the Board shall not make any material change in the nature or scope of its business, acquire any other business whether by purchase of shares, assets or otherwise, whether by one transaction or a series of transactions (whether related or not and whether at one time or over a period of time) sell, transfer, license or otherwise dispose of the whole or any substantial part of its assets or undertaking, incorporate any related company either independent or subsidiary, incur any borrowings in excess of 40% of the valuation of the company's assets with such valuation to be prepared by a professional valuer acceptable to the lender.

Arms length basis

It is hereby expressly agreed by and between all of the parties hereto that any contract entered into by the company with any of the shareholders shall be on an arms length and commercial basis save with the consent in writing of all of the parties hereto.

Director interest in a contract

In the event of any director of the company having an interest in any contract, either directly or indirectly, which is to be entered into or has already been entered into by the company, such director shall declare the precise nature of his interest in such contract forthwith upon him becoming aware of the contract concerned. Any such interested director or directors shall not vote at any meeting of the Board at which such contract is being discussed if a majority of the independent directors (those not interested in any such contract) require that such director or directors not participate in the vote.

Signing authority

It is agreed by and between the parties hereto that all disbursements of cash and/or signing of negotiable instruments on behalf of the company or the committing of the company to any such acts shall be within the guidelines set out in this Agreement.

All cheques must be signed by at least two directors or one director and a duly appointed staff member.

Share disposal

Shares may only transfer to property owners at Clifden Glen.

Partnership

Nothing in this Agreement shall constitute or shall be deemed to constitute a partnership between the parties hereto.

Auditors

Farrell Grant Sparks, Accountants and Auditors, will be proposed as auditors of the company. The auditors of the company shall be determined by a decision of the Board annually.

Waivers

A waiver by any party hereto of any breach by any other party hereto of any terms, provisions or conditions of this Agreement or the acquiescence of any party hereto in any act (whether of commission or omission) which but for such acquiescence would be a breach of the aforesaid shall not constitute a general waiver of such terms, provisions or conditions, or any contrary subsequent act.

Any of the provisions of this Agreement which shall not have been performed on execution will remain in full force and effect notwithstanding execution.

At the request of any of the parties hereto any other party shall (and shall use their best endeavours to ensure that any other necessary party or parties shall) execute and do all such documents, acts and things as may reasonably be required for the better and more absolute performance of the terms and conditions of this Agreement.

Bankers

Bank accounts for the company or related businesses will be kept with Ulster Bank Ltd at its Lower Baggot Street, Dublin 2, branch. The Board has the right to make alternative banking arrangements as it deems fit without reference to shareholders.

Legal advisors and applicable laws

Legal advisors to the company are Gleeson McGrath Baldwin, Solicitors, 29 Anglesea Street, Dublin 2 unless otherwise decided by the Board. This Agreement shall be subject to Irish law and the parties shall submit to the jurisdiction of the Irish courts.

Admitting new shareholders

New shareholders will only be admitted when they have signed a supplementary sheet agreeing to abide by the terms of this Shareholders' Agreement.

