

Company No. 2372740

THE COMPANIES ACT 1985
COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

- of -

BRITISH RECORD INDUSTRY TRUST

1. The name of the company is "The British Record Industry Trust".
2. The registered office of the Trust will be situate in England.
3. (a) The object for which the Trust is established is the promotion of such exclusively charitable objects (as defined by the Law of England) as the Trust may from time to time see fit.
(b) In pursuance of the above mentioned object the Trust shall have the following powers:-
 - (i) to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property which may be considered necessary or convenient for any purposes of the Trust;
 - (ii) to take any gift of property, whether subject to any special trust or not, for any purpose within the purposes of the Trust;

- (iii) to take such steps by personal or written appeals, public meetings, publications or otherwise as may be considered necessary for the purpose of procuring contributions to the funds of the Trust or funds applicable for any particular charitable purpose by means of donations covenants subscriptions or otherwise provided that the Trust shall not undertake any permanent trading activities except in pursuance of any of its powers as provided herein;
- (vi) subject to such consents as may be required by law to raise money by borrowing in such manner and on such terms as to security and otherwise as the Trust thinks fit;
- (v) to sell manage lease mortgage dispose of or otherwise deal with any property owned by the Trust subject in every case to such consents or orders (if any) as may be required by law;
- (vi) to invest any moneys of the Trust not immediately required for its purposes in or upon such investments, securities or property as the Trust thinks fit;
- (vii) to employ and pay all such officers and servants as may be required for the purposes of the Trust and to make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their widows or other dependants;

- (viii) to establish and support, and to aid in the establishment and support of, any other charitable foundations or associations formed for all or any of the objects of the Trust;
- (ix) to establish, promote and otherwise assist, any charitable company or companies for the purpose of acquiring any of the property or furthering any of the objects of the Trust;
- (x) to amalgamate with any charitable companies, institutions, societies, foundations or associations having objects altogether or in part similar to those of the Trust;
- (xi) to purchase or otherwise acquire and undertake all or any part of the property, assets, liabilities and engagements of any one or more of the charitable companies, institutions, societies, foundations or associations with which the Trust is authorised to amalgamate;
- (xii) to transfer all or any part of the property, assets, liabilities and engagements of the Trust to any one or more of the charitable companies, institutions, societies, foundations or associations with which the Trust is authorised to amalgamate or to any company which it is hereby authorised to establish, promote and otherwise assist;
- (xiii) to do all such other lawful things as will further the attainment of the objects of the Trust;

- (xiv) to establish and to hold shares in a subsidiary trading Company.

Provided that:-

- (1) In case the Trust shall take or hold any property which may be subject to any trusts, the Trust shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts;
- (2) The objects of the Trust shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers;
- (3) In case the Trust shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales the Trust shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the Committee or governing body of the Trust shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such Committee or governing body have been if no incorporation had been effected, and the incorporation of the Trust shall not diminish or

impair any control or authority exercisable by the Chancery Division or the Charity Commissioners over such Committee or governing body but they shall as regards any such property be subject jointly and separately to such control or authority as if the Trust were not incorporated.

4. The income and property of the Trust shall be applied solely towards the promotion of its objects as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred, directly or indirectly by way of dividend, bonus or otherwise howsoever by way of profit, to members of the Trust and no member of its Committee or governing body shall be appointed to any office of the Trust paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Trust. Provided that nothing herein shall prevent any payment in good faith by the Trust

- (a) of reasonable and proper remuneration to any member, officer or servant of the Trust not being a member of its Committee or governing body for any services rendered to the Trust;
- (b) of interest on money lent by any member of the Trust or of its Committee or governing body at a reasonable and proper rate per annum not exceeding 2 per cent less than the published base lending rate of a clearing bank to be selected by the Committee or governing body;
- (c) of reasonable and proper rent for premises demised or let by any member of the Trust or of its Committee or

governing body;

(d) of fees, remuneration or other benefit in money or money's worth to any company of which a member of the Committee or governing body may also be a member holding not more than 1/100th part of the capital of that company; and

(e) to any member of its Committee or governing body of reasonable out-of-pocket expenses.

5. The liability of the members is limited.

6. Every member of the Trust undertakes to contribute to the assets of the Trust in the event of the same being wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of the Trust contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding One Pound (£1).

7. If upon the winding up or dissolution of the Trust there remains after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Trust, but shall be given or transferred to some other charitable institution or institutions, having objects similar to the objects of the Trust, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Trust under or by virtue of Clause 4 hereof,

such institution or institutions to be determined by the members of the Trust at or before the time of dissolution, and if and so far as effect cannot be given to such provision then to some other charitable object.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association.

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

THE BRITISH PHONOGRAPHIC INDUSTRY LIMITED
Roxburghe House
273/287 Regent Street
London W1R 7PB

Limited company

LEONARD GEORGE WOOD
Lark Rise
39 Howards Thicket
Gerrards Cross
Buckinghamshire SL9 7NT

Company Director (retired)

DATED the 1989

WITNESS to the above Signatures:-

Company No. 2372740

THE COMPANIES ACT 1985
COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION*

- of -

BRITISH RECORD INDUSTRY TRUST

PRELIMINARY

1. In these Articles, if not inconsistent with the subject or context, the words set out in the first column of the table below shall bear the meanings set opposite to them respectively in the second column thereof.

WORDS

MEANINGS

The Trust	This company
The Statutes	The Companies Act 1985 (or any statutory modification thereof) and every other Act for the time being in force concerning companies and affecting the Trust
These Articles	These Articles of Association, as originally framed, or as from time to time altered by Special Resolution
The Committee	The committee of management for the time being of the Trust (or board of directors) constituted in accordance with Articles 31ff of these Articles
Office	The registered office of the Trust
Seal	The common seal of the Trust
The United Kingdom	Great Britain and Northern Ireland
Month	Calendar month
Year	Calendar year

* Amended by special resolution dated 13th September 1990

Secretary

Any person appointed to perform the duties of the secretary

Save as aforesaid, any words or expressions defined in the Statutes shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

MEMBERSHIP

2. The number of members with which the Trust proposes to be registered is 2, but the Trust may from time to time by Special Resolution resolve to increase the number of members.

3. The subscribers to the Memorandum of Association shall be the first members of the Trust. Subject to Article 2 above the members may, by Special Resolution, appoint new members as additional or substitute members. Members of the Trust may be individuals or corporations (whether formed under the Statutes or otherwise).

4. Without prejudice to the Power of appointment reserved to the members in Article 3 above, the Committee may appoint such persons or corporations as it sees fit as members of the Trust, but shall not appoint any person or body to be a member without the consent in writing of all the existing members, if any.

5. Membership shall not be transferable. A member shall cease to be a member:-

5.1 on death or liquidation;

5.2 if he or it shall tender his or its resignation in writing;

GENERAL MEETINGS

6. An Annual General Meeting shall be held not more than

eighteen months after the incorporation of the Trust and subsequently once in every Year, at such time (within a period of not more than fifteen months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Committee. All other General Meetings shall be called Extraordinary General Meetings.

7. The Committee may whenever it thinks fit, and shall on requisition in accordance with the Statutes, proceed to convene an Extraordinary General Meeting.

NOTICE OF GENERAL MEETINGS

8. An Annual General Meeting and an Extraordinary General Meeting at which it is proposed to pass a Special Resolution shall be called by twenty-one days' notice in writing at the least, and any other General Meeting by fourteen days' notice in writing at the least, exclusive in either case of the day on which the notice is served or deemed to be served and of the day for which it is given.

Provided that a General Meeting shall, notwithstanding that it is called by shorter notice than as aforesaid, be deemed to have been duly called if it is so agreed:-

- (a) in the case of an Annual General Meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together representing not less than 95 per cent of the total voting rights at that

meeting of all the members.

The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive notice shall not invalidate the proceedings at that Meeting.

CONTENTS OF NOTICES

9. Every notice calling a General Meeting shall specify the place and the day and hour of the meeting and in the case of an Annual General Meeting shall also specify the meeting as such. If other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as an Extraordinary Resolution or as a Special Resolution, the notice shall contain a statement to that effect.

ROUTINE BUSINESS

10. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-

- (A) Reading, considering and adopting the balance sheet and income and expenditure account and reports of the Committee and the Auditors, and other related documents.
- (B) Appointing Auditors and fixing their remuneration or determining the manner in which such remuneration is to be fixed.

PROCEEDINGS AT GENERAL MEETINGS

11. No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. Two members or one tenth of the membership

whichever is the greater present in person shall be a quorum for all purposes.

12. If within fifteen minutes from the time appointed for the meeting a quorum is not present the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Committee may determine.

13. The Chairman, if any, of the Committee shall preside as Chairman at every General Meeting of the Trust, or if there is no such Chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the members of the Committee present shall elect one of their number to be Chairman of the meeting.

14. The Chairman may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

15. 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:-

- (a) the Chairman of the meeting; or
- (b) not less than two members present in person or by

proxy

A demand for a poll may be withdrawn. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman of the meeting that a resolution has 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 shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

16. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it be pointed out at the same meeting, or at an adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude to vitiate the resolution.

17. If a poll is duly demanded (and the demand is not withdrawn) it shall be taken in such manner as the Chairman may direct, and the result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Chairman may appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

18. If a poll is demanded on any question it shall be taken either immediately or at such time and place as the Chairman of the meeting directs and any business other than that upon which the poll has been demanded may be proceeded with pending the taking of the poll. No notice need be given of

a poll not taken immediately.

19. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

20. Subject to the provisions of the Statutes a resolution in writing signed by all the members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a General Meeting duly convened and held.

VOTES OF MEMBERS

21. Every member shall have one vote.

22. On a poll votes may be given either personally or by proxy.

23. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a member of the Trust.

24. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Office or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, not less than

48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

25. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:-

"I/We _____ of _____ in the _____ county of _____, being a member/members of the above named Trust, hereby appoint _____ of _____ or failing him _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the [annual or extraordinary, as the case may be] general meeting of the Trust to be held on the _____ day of _____ 19 __, and at any adjournment thereof.

Signed this _____ day of _____ 19 __."

26. Where it is desired to afford members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:-

"I/We _____ of _____ in the county of _____

, being a member/members of the above
named trust, hereby appoint
of or
failing him of
as my/our proxy to vote
for me/us on my/our behalf at the [annual or
extraordinary, as the case may be] general meeting of
the trust to be held on the day of
19 , and at any adjournment
thereof.

Signed this day of

19
This form to be used *in favour of
against the resolution.
Unless otherwise instructed, the proxy will vote as he
thinks fit.

*Strike out whichever is not desired."

27. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
28. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Trust at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
29. Any matter or thing which may under these Articles be dealt with by Ordinary Resolution and is not required by

law to be dealt with in General Meeting may, if the Committee so resolve, be determined by a postal ballot to be conducted in such manner as the Committee may think fit and any resolution declared by the Committee to have been carried by a majority of the members voting on such ballot shall have effect in all respects as if it were an Ordinary Resolution duly passed at a meeting of the Committee duly convened and held.

30. Any corporation which is a member of the Trust 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 Trust or of any class of members of the Trust, and the person so authorised shall be 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 of the Trust.

THE COMMITTEE

31. The Committee shall not be less than two nor more than twelve in number.

32. The members of the Trust may by Special Resolution determine that the members and/or the Committee Members shall be redesignated and known by a title or titles other than "the members" and/or "the Committee Members". All the provisions in these Articles relating to the entity concerned prior to its redesignation shall continue to apply unaltered to the entity under its new designation.

APPOINTMENT AND RETIREMENT OF MEMBERS OF THE COMMITTEE

33. The subscribers of the Memorandum of Association shall

nominate the first members of the Committee.

34. A member of the Committee shall vacate office in any of the following events, namely:-

- (a) If he resign in writing.
- (b) If he have a receiving order made against him or compound with his creditors generally.
- (c) If he become liable to be detained or subject to guardianship under Part IV of the Mental Health Act, 1959 (or under any statutory modification or re-enactment thereof or other similar enactment for the time being in force).
- (d) If the Trust resolve to remove him in accordance with Article 36 hereof.

35. The Committee may by resolution appoint any person to be a member of the Committee either to fill a casual vacancy or as an additional member of the Committee.

36. The Trust may by ordinary resolution appoint or remove members of the Committee

37. The members of the Committee, at the discretion of the Chairman, may be paid all reasonable travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Committee or any sub-committee of the Committee or general meetings of the Trust or in connection with the business of the Trust.

PROCEEDINGS OF THE COMMITTEE

38. The Committee may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be

determined by a majority of votes. Any member of the Committee may, and the Secretary on the requisition of a member of the Committee shall, at any time summon a meeting of the Committee. It shall not be necessary to give notice of a meeting of the Committee to any member thereof for the time being absent from the United Kingdom.

39. The quorum necessary for the transaction of the business for the Committee shall be two or such greater figure as the Committee shall decide. A meeting of the Committee at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Committee.

40. The continuing members of the Committee may act notwithstanding any vacancies, but, if and so long as the number of members of the Committee is reduced below the minimum number fixed by or in accordance with these Articles, the continuing members or member of the Committee may act for the purpose of filling up such vacancies or of summoning a General Meeting of the Trust, but for no other purpose.

41. The members of the Committee may elect a Chairman of the Committee and determine the period for which he is to hold office. If at any meeting the Chairman shall not be present within five minutes after the time appointed for holding the same, the members of the Committee present may choose one of their number to be Chairman of the meeting. In the case of an equality of votes, the Chairman shall be entitled to a second or casting vote.

42. A resolution in writing signed by all the members of the Committee shall be as effective as a resolution passed at a meeting of the Committee duly convened and held, and may consist of several documents in the like form, each signed by one or more of the members of the Committee.

43. The Committee may delegate any of their powers to sub-committees consisting of such member or members of their body as they think fit. Any sub-committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Committee. Any such regulations may provide for or authorise the co-option to the sub-committee of persons who are not members of the Committee or members of the Trust. All actions and decisions taken by such committees shall be reported back to the Committee as soon as possible.

44. The meetings and proceedings of any sub-committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Committee so far as the same are applicable and are not superseded by any regulations made by the Committee. Co-opted members shall have no voting rights on any sub-committee.

45. All acts done by any meeting of the Committee or a sub-committee thereof, or by any person acting as a member of the Committee or sub-committee, shall as regards all persons dealing in good faith with the Trust, notwithstanding that there was some defect in the appointment or continuance in office of any member of the Committee or sub-committee or person acting as such or that any such member or person was

disqualified or had vacated office or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a member of the Committee or sub-committee and had been duly appointed.

BORROWING POWERS

46. The Committee may exercise all the powers of the Trust to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Trust.

POWERS OF THE COMMITTEE

47. The affairs of the Trust shall be managed by the Committee which may pay all expenses incurred in forming and registering the Trust and may exercise all such powers of the Trust as are not by the Statutes or by these Articles required to be exercised by the Trust in General Meeting, subject nevertheless to any other provisions of these Articles and to the provisions of the Statutes, and to such regulations as may be prescribed by the Trust in General Meeting; but no regulation made by the Trust in General Meeting shall invalidate any prior act of the Committee which would have been valid if that regulation had not been made.

48. The Committee members shall have the power to designate and appoint members of an advisory committee and to create any advisory board, council or other body under such title

as they shall see fit, to advise the Committee in its operations generally or for any particular operation or purpose.

49. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Trust, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Committee shall from time to time by resolution determine.

CHIEF EXECUTIVE

50. The Committee may from time to time appoint a person to the office of Chief Executive or to any other salaried employment or office in the Trust for such period and on such terms as it thinks fit, and subject to the terms of any agreement entered into in any particular case, may revoke such appointment. The Chief Executive and other officers, if any, may not be a member of the Committee but may attend and speak but not vote at its meetings. The Chief Executive and other officers may be given such titles as the Committee thinks fit.

51. The Committee may entrust to and confer upon the Chief Executive or other officers any of the powers exercisable by it upon such terms and conditions and with such restrictions as it may think fit, and either collaterally with or to the exclusion of its own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers provided that all activities of any such Chief Executive or officers should be reported back to the Committee regularly.

SECRETARY

52. Subject to the provisions of the Statutes the Secretary shall be appointed by the Committee for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by it.

THE SEAL

53. The Committee shall provide for the safe custody of the Seal which shall only be used with the authority of the Committee. Every instrument to which the Seal is affixed shall be signed by a member of the Committee and countersigned by a second member of the Committee or by the Secretary.

ACCOUNTS

54. The Committee shall cause to be kept at the Office, or at such other place within Great Britain as the Committee thinks fit, proper books of account which conform in all respects with the provisions of the Statutes and which shall contain in particular (and without prejudice to the generality of the foregoing):-

- (A) all sums of money received and expended by the Trust and the matters in respect of which such receipts and expenditure take place;
- (B) all sales and purchases of assets by the Trust;
- (C) the assets and liabilities of the Trust.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Trust's affairs and to explain its transactions.

The books of accounts shall always be open to the inspection of members of the Committee.

AUDIT

55. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Statutes.

NOTICES

56. Any notice or document may be served by the Trust on any member either personally or by sending it through the post in a first class prepaid letter addressed to such member at the registered address as appearing in the register of members or to such other address as he may supply to the Trust for the giving of notices to him, and any notice so served by post shall be deemed to have been duly served notwithstanding that such member be then dead or bankrupt and whether or not the Trust have notice of his death or bankruptcy.

57. A member described in the register of members by an address not within the United Kingdom who has not supplied to the Trust an address within the United Kingdom for the giving of notices to him shall not be entitled to receive any notice from the Trust.

58. Any notice or document served by first class post shall be deemed to have been served at the expiration of 24 hours after the letter containing the same is posted, and in proving such service it shall be sufficient to show that the letter containing the notice or document was properly addressed, stamped and posted.

INDEMNITY

59. Subject to the provisions of the Statutes and of the Memorandum of Association every member of the Committee, Auditor, Secretary or other officer of the Trust shall be entitled to be indemnified by the Trust against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto.

WINDING UP

60. Upon the winding up of the Trust the provisions of Clauses 6 and 7 of the Memorandum of Association shall have effect and be observed as if the same were repeated herein.