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THE COMPANIES ACT 1985  
COMPANY LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL  
ARTICLES OF ASSOCIATION  
OF  
CHARITIES EVALUATION SERVICES  
GENERAL

1. (i) In these Articles the words standing in the first column of the table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context:-

<u>Words</u>	<u>Meanings</u>
"the Act"	the Companies Act 1985;
"the Chief Executive"	the person appointed as Administrator of the Company pursuant to Article 61;
"these Articles"	these Articles of Association of the Company for the time being in force;
"the Board of Trustees"	the Board of Trustees for the time being of the Company as a body or a quorate majority of the members thereof at a meeting of the Board of Trustees;
"the Company"	the above-named Company;
"General Meetings"	general meetings of the Members;
"in writing"	written, printed or lithographed or partly one and partly another, and other modes of representing or reproducing words in a permanent visible form;
"Member"	a member of the Company for the purposes of the Act;



"Month"	calender month;
"the office"	the registered office of the Company;
"the Seal"	the common seal of the Company;
"the Secretary"	the Secretary for the time being of the Company;
"the United Kingdom"	Great Britain and Northern Ireland, together with the Channel Islands and the Isle of Man;
"Year"	year from 1st January to 31st December inclusive.

(ii) Words importing the singular number only shall include the plural number, and vice versa;

(iii) words importing the masculine gender only shall include the feminine gender;

(iv) words importing persons shall include corporations and unincorporated associations;

(v) subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof in force at the date on which these Articles become binding on the Company shall, if not inconsistent with the subject or context, bear the same meanings in these Articles.

2. For the purposes of registration the number of Members of the Company is declared to be unlimited.

3. The provisions of section 352 of the Act shall be observed by the Company, and every Member of the Company shall either sign a written consent to become a Member or sign a register of Members on becoming a Member.

4. The Company is established for the objects expressed in the Memorandum of Association.

### MEMBERSHIP

5. The subscribers to the Memorandum of Association and such other persons as shall be admitted as Members in accordance with Article 6 shall alone be Members of the Company.

6. No person shall be admitted to membership of the Company as a Member unless:

(i) he has signed and sent to the secretary an application for admission framed in such terms as the Board of Trustees shall from time to time prescribe, and

(ii) his application for admission has been approved by the Company in General Meeting.

7. Every Member shall use his best endeavours to promote the objects and interests of the Company and shall observe all the Company's regulations affecting him contained in or effective pursuant to these Articles.

8. The rights of every Member shall be personal to himself and shall not be transferable, transmissible or chargeable by his own act, by operation of law or otherwise.

9. A Member shall immediately cease to be a Member upon the happening of any one of the events following, namely:-

(i) If he shall resign membership by writing under his hand left at the office.

(ii) If the Member, being an individual, shall die or become lunatic or bankrupt or compound with his creditors or, being a corporation, shall go into liquidation or have a receiver appointed of its undertaking and assets or any part thereof.

(iii) If he shall fail to perform any obligation binding upon him under these Articles for one month after notice in writing requiring him to do so shall have been served upon him by the Company or if in the opinion of the Board of Trustees his conduct shall be calculated in any respect to be prejudicial to the interests of the Company and he shall fail to remedy such conduct to the satisfaction of the Board of Trustees for one month after notice in writing requiring him to do so shall have been served upon him by the Company and if also in either of such cases the Board of Trustees by resolution passed by a majority of not less than three-fourths of the members of the Board of Trustees present at a meeting of the Board of Trustees of which notice specifying the intention to propose the resolution has been given shall resolve that his membership be terminated.

10. A Register shall be kept by the Company containing the names and addresses of all the Members, together with such other particulars as may be required by the Act.

11. Any Member who for any cause whatsoever shall cease to be a member shall remain liable for and shall pay to the Company all monies which may become payable by him by virtue of his liability under the Memorandum of Association.

#### GENERAL MEETINGS

12. The first General Meeting of the Company shall be held at such time, not being less than one month or more than three months after the incorporation of the Company, and at such place as the Board of Trustees shall determine.

13. General Meeting shall be held once in every year at such time (within a period of not more than fifteen months after the holding of the last preceding General Meeting) and place as shall be determined by the Board of Trustees.

14. The above-mentioned General Meetings shall be called Annual General Meetings; all other General Meetings shall be called Extraordinary Meetings.

15. The Board of Trustees may call an Extraordinary Meeting whenever it shall think fit.

16. On requisition by the Members in accordance with Section 368 of the Act the Board of Trustees shall forthwith proceed to convene an Extraordinary Meeting and in the case of any such requisition the provisions of the said Section 368 shall apply.

17. Except with the permission of the Chairman of the Meeting, no Member shall be entitled to bring any special business before any General Meeting unless he shall have given notice in writing of such special business to the Secretary so as to be received by him not less than ten days before the date of the Meeting, and in any such case the Secretary shall forthwith give notice of such special business to all Members for the time being entitled under these Articles to receive notice of General Meetings.

#### NOTICE OF GENERAL MEETINGS

18. Subject to the provisions of the Act relating to General Meetings convened for the purpose of passing special resolutions, fourteen days' notice at the least (inclusive of the day on which the notice is served or deemed to be served but exclusive of the day for which the notice is given) of every General meeting of the Company specifying the place, the day and the hour of meeting and (subject as provided by Article 17) in case of special business the general nature of such business shall be given in manner hereinafter mentioned to all Members for the time being entitled under these Articles to receive notice of General Meetings

provided that with the written consent of all such Members a Meeting may be convened on such shorter notice and in such manner as such Members may think fit. The accidental omission to give notice to or the non-receipt of notice by any Member shall not invalidate the proceedings at any General Meeting.

#### PROCEEDINGS AT GENERAL MEETINGS

19. All business shall be deemed special which is transacted at any Extraordinary Meeting and also all business which is transacted at an Annual General Meeting with the exception of the consideration of the Accounts and Balance Sheet and the Reports of the Board of Trustees and Auditors and the election of the Auditors and the fixing of their remuneration.

20. No business shall be transacted at any General Meeting unless a quorum be present when the Meeting proceeds to business (save for the purpose of approving an application for membership where one Member has ceased to be a Member thereby reducing the number of Members to one) two Members present in person shall form a quorum.

21. If within half an hour from the time appointed for holding any General Meeting a quorum be not present the Meeting, if convened on the requisition of Members, shall be dissolved. In any other case the Meeting shall stand adjourned to the same day in the next week at the same time and place, and if at such adjourned Meeting a quorum be not present within fifteen minutes from the time appointed for holding the Meeting, the Members present shall form a quorum.

22. The Members shall choose one of their number to preside as Chairman at every General Meeting of the Company.

23. The Chairman, with the consent of any General Meeting at which a quorum is present, may and if so directed by the Meeting shall adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned General Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. When a General Meeting is adjourned for fifteen days or more, notice of the adjourned Meeting shall be given as in the case of an original Meeting. Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

24. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands a poll be demanded by at least two Members present in person or by proxy. Unless a poll be so demanded a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book of the Company shall be conclusive evidence of the

fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

25. In 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.

26. If a poll be duly demanded it shall be taken in such manner as the Chairman shall direct, and the result of the poll shall be deemed to be the resolution of the Meeting at which the poll was demanded.

27. A poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and place as the Chairman shall direct.

28. The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.

#### VOTES OF MEMBERS

29. On a show of hands every Member present in person shall have one vote, and on a poll every Member present in person or by proxy shall have one vote.

30. At any General Meeting a corporation being a Member may vote by any proxy or duly authorised representative, who shall be entitled to speak, demand a poll, vote, act as proxy and in all other respects exercise the right of a Member and shall be reckoned as a Member for all purposes.

31. No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such Meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting, whose decision shall be final and conclusive.

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

33. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer be a corporation, either under its common seal or under the hand of an officer or attorney so authorised.

34. No person shall act as a proxy unless (1) he be entitled on his own behalf to be present and vote at the Meeting at which he acts as proxy or (2) his appointment be approved by the Board of Trustees or (3) he be appointed to act at the Meeting, either as a

representative of a corporation pursuant to the Act or as its proxy.

35. 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 such power of authority, shall be deposited at the office not less than forty-eight hours before the time appointed for holding the Meeting or adjourned Meeting in which the person named in the instrument proposes to vote, and in default the instrument of proxy shall be treated as valid. No instrument appointing a proxy shall be valid after the expiration of a period of three months from the date named in it as the date of its execution.

36. An instrument appointing a proxy may be in the following form or in any other form which the Board of Trustees may approve:-

CHARITIES EVALUATION SERVICES

("the Company")

I,

of

being a Member of the Company hereby appoint

of

as my proxy to vote for me and on my behalf at the Annual (or Extraordinary as the case may be) General Meeting of the Company to be held on the day of 19                      and at any adjournment thereof

As witness my hand this              day of              19              "

37. 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 imitation in writing of such death, insanity or revocation shall have been received by the Company at the Office before the commencement of the Meeting or adjourned meeting at which the proxy is used.

38. Any corporation which is a Member of the Company may by resolution of its Board of Directors authorise such person as it thinks fit to act as its representative at any meeting of the Company and any person so authorised shall have the right 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 Company.

THE BOARD OF TRUSTEES

39. The number of members of the Board of Trustees shall not be more than twenty nor less than two and shall consist firstly of persons appointed in accordance with Articles 40-43 of which there shall be a maximum of 15 and secondly of the Chairs of the

Regional Committees of the Company who shall sit on the Board of Trustees in an ex-officio capacity. Ex-officio Trustees will not be subject to Articles 40-43 but shall in all other respects be treated as members of the Board of Trustees.

40. The members of the Board of Trustees shall be elected by the Members in General Meeting and shall hold office from the date of their appointment until their retirement in accordance with these Articles.

41(a) At the next Annual General Meeting of the Company in 1996 and at every subsequent Annual General Meeting one-third of the Board of Trustees who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one third shall retire from office. Subject to Article 41(b), the members of the Board to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed members of the Board on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

(b) Where a member of the Board of Trustees tenders his resignation in the period after the last Annual General Meeting but before the following Annual General Meeting he will be counted amongst the one-third of the Board of Trustees who are subject to retirement by rotation at the following Annual General Meeting.

42. Members of the Board retiring by rotation pursuant to Article 41 shall be eligible for re-election for a further term of office provided that no member of the Board of Trustees shall be able to hold office for more than two consecutive terms. Where a member of the Board of Trustees holds office for two consecutive terms then he shall not be eligible for re-election for a further term until the expiration of twelve months from the date of the expiration of that member's second term of office.

43. The Company shall fill up the offices vacated at each Annual General Meeting by electing a like number of persons as follows:-

- (a) The method of voting for candidates as members of the Board of Trustees at any General Meeting shall be by ballot and operated according to such regulations as the Board of Trustees may from time to time resolve upon.
- (b) No person shall be elected a member of the Board at any Annual General Meeting as aforesaid unless:-
  - (i) he is a member of the Board retiring at that Annual General Meeting and is eligible and is willing to be re-elected, or
  - (ii) he is nominated by not less than two Members of the Company nominating such person as a candidate



for election, and has indicated his willingness to be elected, or

(iii) he is nominated by the Board of Trustees.

PROVIDED in all cases that such nominations shall be in writing and duly deposited at the Registered Office by a time set out by the Board of Trustees.

- (c) If the number of candidates eligible for election pursuant to Article 43(b) does not exceed the number of vacancies, the Chairman of the Annual General Meeting shall declare the candidates to be elected without the necessity of taking a vote.

44. The Board of Trustees may appoint a person who is willing to act to be a member of the Board, either to fill a vacancy or as an additional member of the Board, provided that the appointment does not cause the Board to exceed any number fixed by or in accordance with the Articles as the maximum number. A member of the Board so appointed shall hold office only until the next following Annual General Meeting and shall not be taken into account in determining the members of the Board who are to retire by rotation at the meeting. If not reappointed at such Annual General Meeting, he shall vacate office at the conclusion thereof.

45. The first Chairman of the Board of Trustees shall be appointed by the first members of the Board of Trustees and shall hold office for a term of three years and shall be eligible for re-election on the expiry of such term for a further term of three years upon the expiration of which the Chairman shall not be eligible for re-election until the expiration of a further twelve months. Thereafter the Chairman of the Board of Trustees shall be appointed by the members of the Board of Trustees pursuant to Article 49(i) and shall hold office for a term of three years and shall be eligible for re-election on the expiry of such term for a further term of three years upon the expiration of which the Chairman shall not be eligible for re-election until the expiration of a further twelve months.

46. The office of a member of the Board of Trustees shall be vacated:

- (a) if he becomes bankrupt or suspends payment or compounds with his creditors;
- (b) if he becomes of unsound mind;
- (c) if by notice in writing to the Board of Trustees he resigns his office;
- (d) if he becomes prohibited from being a member of the Board of Trustees by reason of any order made under Section 295 of the Act.

47. No act or resolution of the Board of Trustees shall be invalidated by reason of the existence of any vacancy or vacancies among members of the Board of Trustees, but if the number of the members of the Board of Trustees shall be reduced to less than two the continuing members of the Board of Trustees may act for the purpose only of filling vacancies in the Board of Trustees.

#### POWERS OF THE BOARD OF TRUSTEES

48. The Board of Trustees shall have sole control in regard to all matters relating to the management and organisation of the Company. In addition to the powers and authorities by these Articles or otherwise expressly conferred upon them, the Board of Trustees may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by statute expressly directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of any Acts of Parliament for the time being in force and of these Articles.

49. Without limitation to the powers conferred by Article 48 the Board of Trustees shall have inter alia, the following particular powers and duties:-

- (i) where the Chairman of the Board of Trustees is to be elected in accordance with Article 45, to meet immediately after the Annual General Meeting of the Company for the purpose of appointing one of the members of the Board of Trustees to be Chairman of the Board of Trustees;
- (ii) to revocably delegate to any committee, council of advisors or advisory council consisting of members of the Board of Trustees or of members of the Board of Trustees and other persons any of the powers or duties of the Board of Trustees including the power to review the work of the Company. Provided that all acts and proceedings of such committees and councils shall be reported back to the Board of Trustees and provided further that no expenditure shall be incurred by any committee or council on behalf of the Company except in accordance with a budget which has been approved by the Board of Trustees. Any such delegation shall be in writing and shall be revoked in like manner. Any committee or council so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board of Trustees. The meetings and proceedings of any such committee or council shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board of Trustees so far as applicable and so far as the same shall not be superseded.

50. All acts bona fide done by any meeting of the Board or of any committee of the Board of Trustees, shall notwithstanding it be afterwards discovered that there was some defect in the appointment of any member or person to the Board of Trustees or such committee acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Board of Trustees or such committee.

#### PROCEEDINGS OF THE BOARD

51. The Board of Trustees may regulate their own proceedings as they may think fit.

52. The Chairman of the Board of Trustees shall preside at meetings of the Board of Trustees, but if he is not present within five minutes after the time appointed for holding the meeting of the Board of Trustees, the members of the Board of Trustees present may choose one of their number to be Chairman of the meeting. One third of the members of the Board of Trustees shall constitute a quorum. Questions arising at any meeting shall be decided by a majority of votes. Voting shall be by a show of hands and each member of the Board of Trustees shall have only one vote; in the case of an equality of votes the Chairman shall be entitled to a second or casting vote.

#### INTERESTS OF MEMBERS OF THE BOARD OF TRUSTEES

53. A member of the Board of Trustees who is in any way directly or indirectly financially interested in any contract or proposed contract with or in any matter concerning the Company shall declare the nature of his interest at a meeting of the Board of Trustees in accordance with Section 317 of the Act and shall not vote in respect of any contract, arrangement or matter in which he is so interested or be present at any meeting of the Board of Trustees during the relevant discussions and if he shall vote in respect thereof his vote shall not be counted.

#### MINUTES

54. Minutes of the proceedings of every meeting of the Company and of every meeting of the Board of Trustees shall be recorded in books to be kept for that purpose and shall be signed by the Chairman of such meeting and in case of his not signing such minutes at or before the succeeding meeting shall be confirmed at such succeeding meeting, by the Chairman thereof as a correct record of the proceedings to which they relate. Such minutes when so recorded and signed shall be received as evidence of such proceedings without further proof in all meetings and proceedings of the Company.

### THE CHIEF EXECUTIVE

55. The Chief Executive of the Company shall be appointed by the Board of Trustees for such period, at such remuneration and upon such conditions as it thinks fit.

56. The Chief Executive shall be entitled to attend every meeting of the Company and every meeting of the Board of Trustees and any committee or council to which the Board of Trustees has delegated powers or duties pursuant to Article 49(ii) but shall not be entitled to vote at such meetings.

57. For so long as he holds office the Chief Executive of the Company shall be the Secretary.

### THE SEAL

58. The seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Trustees, or of a committee of the Board of Trustees authorised by the Board of Trustees in that behalf, and in the presence of at least one member of the Board of Trustees and of the Secretary or such other person as the Board of Trustees shall appoint for the purpose, and the said member of the Board of Trustees and the Secretary or other person shall sign every instrument to which the Seal shall be so affixed in their presence, and in favour of any purchaser or person bona fida dealing with the Company such signatures shall be conclusive evidence of the fact that the Seal has been properly affixed.

### ACCOUNTS

59. (i) The Board of Trustees shall cause proper accounting records to be kept in accordance with sections 221, 222 and 223 of the Act.

(ii) The accounting records shall be kept at the Office or (subject to section 222 of the Act) at such other place or places as the Board of Trustees shall think fit, and shall always be open to inspection by any member of the Board of Trustees.

(iii) The Board of Trustees shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to inspection by Members not being members of the Board of Trustees, or to others, and no Member (not being a member of the Board of Trustees) shall have any right to inspect any account or book or document of the Company except as conferred by statute or authorised by the Board of Trustees or by the Company in General Meeting.

(iv) The Board of Trustees shall from time to time in accordance with the Act cause to be prepared and to be laid before the Company at the Annual General Meeting in every year the accounts of the Company (as defined in section 239 of the Act) for the period since the last preceding accounts (or in the case of the first accounts since the incorporation of the Company) made up to date not more than nine months before such meeting. Copies of such accounts and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty-one clear days before the date of the meeting, subject nevertheless to the provisions of section 240(4) of the Act, be sent to all persons entitled to receive notices of General Meetings in the manner in which notices are hereinafter directed to be served. The Auditors' report shall be open to inspection and be read before the meeting as required by section 241 of the Act.

#### AUDIT

60. Auditors shall be appointed and their duties regulated in accordance with the Act, the members of the Executive Committee being treated as the directors mentioned in the Act.

#### NOTICES

61. A notice may be served by the Company upon any Member, either personally or by sending it through the post in a prepaid letter, addressed to such Member at his registered address as appearing in the register of Members.

62. Any notice given under these Articles shall, if served by post, be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.

#### WINDING-UP

63. Clause 4 of the Memorandum of Association relating to the winding-up and dissolution of the Company shall have effect as if the provision thereof were repeated in these Articles.

#### INDEMNITY

64. The members of the Board of Trustees, the Executive Committee, auditors and other officers for the time being of the Company acting in relation to any of the affairs of the Company and their respective executors or administrators shall be indemnified and secured harmless out of the assets of the Company from and against any liability incurred by them in the discharge of their duties to the extent permitted by the Act.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of these Articles of Association.

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NAMES ADDRESSES AND DESCRIPTION OF SUBSCRIBERS

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The Forbes Trust  
Forbes House  
9, Artillery Lane  
London, E1 7LP

Amirali Alibhai Bhatia  
2, Manor Gardens  
Hampton  
Middlesex  
London TW12 2TU

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Dated this 4th day of May 1990

Witness to the above signatures:-

D.A. Kassam  
105 John Trundle Court  
Barbican  
London -EC2Y 8DJ

Secretary