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Company No. **0321394**

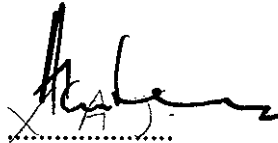
The Companies Act 1985
Company Limited by Shares
Special Resolution
of
MIDLANDS EXCELLENCE

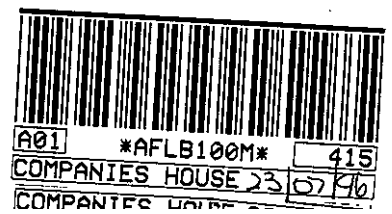
(passed 10th July 1996)

AT an Extraordinary General Meeting of the above named Company duly convened and held at Shakespeares 10 Bennetts Hill Birmingham B2 5RS on 10th July 1996 at 10.00am the following Resolution was duly passed as a Special Resolution of the Company:

RESOLUTION

"THAT the Memorandum and Articles of Association, copies of which are produced to the meeting and initialled for the purpose of identification by the Chairman, be adopted as the Memorandum and Articles of Association of the Company to the exclusion of and in substitution for the existing Memorandum and Articles of Association".


.....
Chairman



The Companies Act 1985

COMPANY LIMITED BY GUARANTEE

Memorandum of Association

of

MIDLANDS EXCELLENCE

1. The name of the company (hereinafter called "the Company") is Midlands Excellence.
2. The registered office of the Company will be situated in England and Wales.
- 3.1 The objects for which the Company is established are:
 - 3.1 To advance the education of the public in the concept of quality practices in Industry and Commerce and total quality management so as to influence the general standard of Industry and Commerce; and
 - 3.2 To promote study and develop through research methods the improvement of efficiency and productivity in management for use in all industrial and commercial activities and to publish the results of such research
- 3.2 And the Company shall have the following powers exercisable in furtherance of its said objects but not otherwise, namely;
 - 3.2.1 To promote and encourage excellence in quality practices and total quality management and in particular (without prejudice to the above) to recognise achievements by awards to individuals and business entities for their efforts and achievements in quality management and provide opportunities for these individuals or business entities to share their ideas and experiences with other individuals and business entities in the West Midlands.
 - 3.2.2 To purchase, take on lease, or in exchange, hire or otherwise acquire real or personal property and rights or privileges, and to construct, maintain and alter buildings or erections;
 - 3.2.3 To sell, let or mortgage, dispose of or turn to account all or any of the property or assets of the Company;
 - 3.2.4 To purchase or otherwise acquire machinery including computer hardware and software, furniture, fixtures, fittings and all other effects of every description and to apply for

registration of any patents, rights, copyrights, licences and the like;

- 3.2.5 To borrow or raise money on such terms and on such security as may be thought fit with such consents as are required by law;
- 3.2.6 To take and accept any gift of money, property or other assets whether subject to any special trust or not;
- 3.2.7 To issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Company in the shape of donations, subscriptions or otherwise;
- 3.2.8 To promote events, seminars and educational opportunities;
- 3.2.9 To purchase or otherwise acquire and to found and to carry training courses and to run lectures, seminars, exhibitions and conferences;
- 3.2.10 To publish books, pamphlets, reports, leaflets, journals, films and instructional matter;
- 3.2.11 To foster and undertake research into any aspect of the objects of the Company and its work to disseminate the results of any such research;
- 3.2.12 To draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts;
- 3.2.13 To invest moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law;
- 3.2.14 To carry on any trade insofar as either the trade is exercised in the course of the actual carrying out of the primary objects of the Company or the trade is temporary and ancillary to the carrying out of the objects and to incorporate any company to carry on any trade and while such company remains the wholly owned subsidiary of the Company to make loans of such sums which are fully secured at full commercial rate as seem to the directors reasonable and prudent and to acquire any shares in such company as seem to the directors reasonable and prudent;
- 3.2.15 To make any donations in cash or assets or establish or support or aid in the establishment or support of and to lend money (with or without security) to or for any charitable associations or institutions;
- 3.2.16 To undertake and execute charitable trusts;
- 3.2.17 To engage and pay any person or persons whether on a full-time or part-time basis or whether as consultant or employee to supervise, organise, carry on the work of and advise the Company and, to make any reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees or former employees and their wives, husbands and other dependants;
- 3.2.18 To co-operate with other charities, voluntary bodies and statutory authorities operating in furtherance of the objects or similar charitable purposes and to exchange information and advice with them;
- 3.2.19 To establish and support or aid in the establishment and support of and to amalgamate with and affiliate to any companies, institutions, societies or associations ;
- 3.2.20 To insure and arrange insurance cover for and to indemnify its Directors, officers, staff,

voluntary workers and members from and against all such risks incurred in the course of their duties as may be thought fit;

3.2.21 To pay out of funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company

3.2.22 To do all such other lawful things as shall further the attainment of the objects of the Company or any of them

3.3 Provided that:

3.3.2 The Company's objects shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers:

3.3.3 In case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Company 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 directors of the Company 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 default, and for the due administration of such property in the same manner and to the same extent as they would as such directors have been if no incorporation had been effected, and the incorporation of the Company shall not diminish or impair any control or authority exercisable by the Chancery Division or the Charity Commissioners over such directors but they shall as regards any such property be subject and separately to such control or authority as if the Company were not incorporated.

4. The income and property of the Company 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 Company and no director of the Company shall be appointed to any office of the Company paid by salary or fees, or receive any remuneration or other benefit in money or money's worth from the Company.

Provided that nothing herein shall prevent any payment in good faith by the Company:

4.1 of reasonable and proper remuneration to any member, officer or servant of the Company (not being a director) for any services rendered to the Company and of travelling expenses necessarily incurred in carrying out the duties of any member, officer or servant of the Company:

4.2 of interest on money lent by a member or director of the Company at a rate per annum not exceeding two percentage points less than the base lending rate for the time being of the Company's clearing bankers or 3% whichever is the greater;

4.3 to any director of reasonable out-of-pocket expenses;

4.4 of reasonable and proper rent for premises leased or let by any member of the Company or any director.

4.5 to any director who is appointed as a manager or executive officer in accordance with Article 69 or who is a solicitor, accountant or other person engaged in any profession reasonable and proper professional charges for business done by him or her or his or her firm when instructed by the other directors to act in a professional capacity on behalf of the Company; provided that at no time shall a majority of the directors benefit under this provision and that a director shall withdraw from any meeting of the directors, at which his or her own instruction or remuneration, or that of his or her firm, is under discussion.

5. The liability of the members is limited.
6. Every member of the Company undertakes to contribute to the assets of the Company, 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 Company 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 £1.
7. If upon the winding up or dissolution of the Company 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 Company, but shall be given or transferred to some other charitable body or bodies having objects similar to the objects of the Company, 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 Company under or by virtue of clause 4 hereof, such body or bodies to be determined by the members of the Company at or before the time of dissolution, and if so far as effect cannot be given to such provision, then to some other charitable body.

We the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of the Company.

Names, Addresses and descriptions of subscribers

Dated this day of 1996
Witness to the above signatures

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

of

MIDLANDS EXCELLENCE

Interpretation

1. In these Articles:

"the Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.

"Articles" means the Articles of Association of the Company

"Clear Days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

"executed" includes any mode of execution.

"Founders" - the first subscribers to the Memorandum of Association

"member" means a member of the Company

"the Memorandum" means the Memorandum of Association of the Company.

"month" means calendar month

"office" means the registered office of the Company.

"organisation" means corporation, institution, association, authority or any other body or organisation corporate or incorporate.

"the seal" means the common seal of the Company.

"secretary" means the Secretary of the Company or any other person appointed to perform the duties of the Secretary of the Company including a joint, assistant or deputy secretary.

"statutes" means every statute from time to time in force concerning companies insofar as the same applies to the Company.

Words importing the singular number shall include the plural number and vice versa;

Words importing the masculine gender shall include the feminine gender;

Words importing persons shall include corporations;

At

Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.

2. The Company is established for the purposes expressed in the Memorandum of Association.

Election of Members

3. The subscribers to the Memorandum of Association of the Company and such other persons and organisations as are admitted to membership in accordance with the Articles shall be members of the Company.
4. Every person or organisation who wishes to become a member shall deliver to the Company an application for membership in such form as the directors require executed by him. No person or organisation shall be admitted a member of the Company unless he is approved by the directors.
5. The directors may provide for the admission of and may admit such persons as they may think fit to be honorary members or friends or associates of the Company and for the rights, duties and liabilities (if any) of such honorary members, friends or associates but so that such persons shall not by virtue of being honorary members, friends or associates as aforesaid be members of the Company and their rights (if any) shall not include a right to speak or vote at general meetings of the Company. The directors may at any time at their discretion cancel the admission of any person who has been admitted as an honorary member, friend or associate.

Retirement from membership

6. A member may at any time withdraw from the Company by giving at least 14 clear days' written notice before the end of that Member's subscription year to the Company. Membership shall not be transferable and shall cease on death of an individual and upon receivership, administration, insolvency, winding up or other cessation of existence of an organisation.
7. The directors may at their discretion terminate the membership of any member if he has conducted himself in a manner which the directors in their discretion consider is prejudicial to the interests of the Company or unfits him for membership of the Company or has by act or conduct made known or evident to the directors that he is no longer in sympathy with the aims and objects of the Company as declared in clause 3 of the Memorandum of Association. The decision of the directors shall be final.
8. Provided that no member shall be removed under Article 7 unless:
 - (a) such member shall have been given at least 28 days notice of the date of the meeting and of the grounds upon which his removal is sought;
 - (b) each director shall have been given at least 7 days notice of the meeting and that the business will be or will include the question of the removal of a member or members and;
 - (c) such member is permitted to state his case to and defend himself before the meeting.
9. Any member whose annual subscription or any other sum due under Article 12 is unpaid six months after the day on which the same becomes due or shall become bankrupt or shall make any arrangement or composition with his creditors generally shall cease ipso facto to be a member of the Company provided that the directors may instead in their discretion postpone cessation of membership for so long as they think fit but that the member concerned shall subsequently cease to be a member if and when the directors shall so determine and whatever his circumstances shall then be.
10. Persons who have ceased to be members may be re-admitted to membership at the discretion of the directors.

11. Persons who have ceased to be members shall not be entitled to any refund of subscription or other sum paid under Article 12.

Subscriptions and entrance fees

12. The members shall pay such annual or other subscriptions, contributions, levies and entrance fees (if any) as the directors may from time to time determine. Subject to the provisions of the Articles the directors may create separate classes of membership and determine the rights, privileges and liabilities including subscriptions, contributions, levies and entrance fees (if any) attaching thereto and may fix the terms upon which members may make a composition fee for life. Any sums required to be paid by members shall be debts due to the Company and recoverable by legal process.

General meetings

13. The Company shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that so long as the Company holds its first annual general meeting within 18 months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting in each year shall be held at such time and place as the directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.
14. The directors may call general meetings and on the requisition of members pursuant to the provisions of the Act shall forthwith proceed to convene an extraordinary general meeting for a date not later than 8 weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting any director or any member of the Company may call a general meeting.

Notice of general meetings

15. An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least 21 Clear Days' notice. All other extraordinary general meetings shall be called by at least 14 Clear Days' notice but a general meeting may be called by shorter notice 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 any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95 per cent of the total voting rights at the meeting of all the members.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

The notice shall be given to all the members and to the directors and auditors.

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

Proceedings at general meetings

17. All business shall be deemed special that is transacted at an extraordinary general meeting. All business that is transacted at an annual general meeting shall be deemed special with the exception of the consideration and receiving of the accounts, balance sheets and the reports of the directors and auditors and any other documents accompanying or annexed to the balance sheets and the appointment

of the auditors and fixing of the remuneration of the auditors.

18. No business shall be transacted at any meeting unless a quorum is present when the business proceeds to business. Until such time as the Founders shall admit to membership additional members and save as herein otherwise provided two Founder members present in person shall be a quorum. Following the admissions to membership of additional members by the Founders four persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of an organisation, shall be a quorum.
19. If within half an hour from the time appointed for the holding of a general meeting a quorum is not present the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day, time and place as the chairman shall determine. If at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be a quorum.
20. The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting but if neither the chairman nor such other director (if any) be present within 15 minutes after the time appointed for holding the meeting and willing to act the directors present shall elect one of their number to be chairman and if there is only one director present and willing to act he shall be chairman.
21. If no director is willing to act as chairman or if no director is present within 15 minutes after the time appointed for holding the meeting the members present and entitled to vote shall choose one of their number to be chairman.
22. A director shall notwithstanding that he is not a member be entitled to attend and speak at any general meeting.
23. The chairman may with the consent of a 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 an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more at least 7 Clear Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
24. A resolution put to the vote of a 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 is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
 - (a) by the chairman or
 - (b) by at least ten members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting;and a demand by a person as proxy for a member shall be the same as a demand by the member.
25. Unless a poll is duly demanded a declaration by the chairman 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 minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
26. The demand for a poll may before the poll is taken be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

27. A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
28. In the case of an equality of votes whether on a show of hands or on a poll the chairman shall be entitled to a casting vote in addition to any other vote he may have.
29. No poll may be demanded on the election of a chairman or on a question of adjournment. A poll demanded on any other question shall be taken either forthwith or at such other time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any other business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn the meeting shall continue as if the demand had not been made.
30. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.
31. A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

Votes of members

32. On a show of hands or on a poll every member present in person or by proxy shall have one vote. A proxy need not be a member.
33. Save as herein expressly provided no person other than a member duly registered and who shall have paid every subscription and other sum (if any) which shall be due and payable to the Company in respect of his membership shall be entitled to be present or to vote on any question either personally or by proxy for another member at any general meeting.
34. A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote whether on a show of hands or on a poll by his receiver, curator bonis or other person authorised in that behalf appointed by that court and any such receiver, curator bonis or other person may on a poll vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
35. 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 tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
36. An instrument appointing a proxy shall be in writing, executed by or on behalf of the Appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

"I/We of

being a member/members of the above-named Company, hereby appoint

of or failing him
 of

as my/our proxy to vote in my/our names[s] and on my/our behalf at the annual/extraordinary general meeting of the Company to be held on
19 and at any adjournment thereof.

Signed on 19 . "

37. Where it is desired to afford members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

"I/We of

being a member/members of the above-named Company, hereby appoint

of or failing him
 of

as my/our proxy to vote in my/our names[s] and on my/our behalf at the annual/extraordinary general meeting of the Company, to be held on
19 , and at an adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No.1 * for * against

Resolution No.2 * for * against

* strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this day of 19 . "

38. The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

- (a) be deposited at the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to 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
 - (b) in the case of a poll taken more than 48 hours after it is demanded be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
 - (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any director;
- and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

39. An organisation may if it is a member of the Company 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 Company or at any meeting of any class of members.

40. A vote given or poll demanded by proxy or by the duly authorised representative of an organisation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Office or

at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

Directors

Number of directors

41. Unless otherwise determined by ordinary resolution the number of directors shall not be subject to any maximum but shall be not less than four.

Appointment and Retirement of directors

42. The directors shall not be subject to retirement by rotation.
43. Subject to the provisions of the Act, the directors 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 directors on the same day those to retire shall (unless otherwise agree among themselves) be determined by lot.
44. If the company, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the director is put to the meeting and lost.
45. Not less than 7 nor more than 28 Clear Days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person other than a director retiring by rotation at the meeting who is recommended by the directors for appointment or reappointment as an director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as an director. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors.
46. Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be an director either to fill a vacancy or as an additional director [and may also determine the rotation in which any additional directors are to retire.
- 47(a) The directors may appoint a person who is willing to act to be an director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting. If not re-appointed at such annual general meeting he shall vacate his office at the conclusion thereof.
- 48(b) The directors may also at any time and from time to time co-opt persons to attend meetings of directors and may remove any persons so co-opted. Co-opted persons need not be members; shall not be directors by reason of co-option and shall not have the right to vote. The total number of co-opted persons may not at any time exceed one third of the number of directors.
49. Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed he shall retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

Alternate directors

50. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
51. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
52. An alternate director shall cease to be an alternate director if his appointor ceases to be a director; but, if a director retires by rotation or otherwise but is re-appointed or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his re-appointment.
53. Any appointment or removal of an alternate director shall be by notice to the Company signed by the director making or revoking the appointment or in any other matter approved by the directors.
54. Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

Disqualification and removal of directors

55. The office of a director shall be vacated if:
- (a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
 - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (c) he is or may be suffering from mental disorder and either:
 - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
 - (d) he resigns office by notice to the Company; or
 - (e) he shall for more than 6 consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated or
 - (f) all the other directors being at least four in number so resolve.

Powers of directors

56. Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not

be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

57. In addition to all powers hereby expressly conferred on them, and without detracting from the generality of their powers under the Articles, the Directors shall have the following powers, namely:

- (a) to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of the objects and to invest in the name of the Company such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the objects of the Company;
- (b) to enter into contracts on behalf of the Company.

58. The directors shall have power from time to time to adopt and make, alter or revoke bye-laws for the regulation of the Company and otherwise for the furtherance of the purposes for which the Company is established provided that such bye-laws are not in conflict with the Memorandum or Articles. Any resolution of the directors for the adoption, making, alteration or revocation of any bye-laws shall remain in force until the next annual general meeting of the Company and if not then approved by ordinary resolution shall cease to have effect at the conclusion of the meeting. Any bye-laws may be adopted, made, altered or revoked by ordinary resolution of the Company. All bye-laws for the time being in force shall be binding upon all members whether or not they shall have had notice or are aware of the same.

Delegation of directors' powers

59. The Trustees shall have power to employ as a professional investment manager any person who is entitled to carry on investment business under the provisions of the Financial Services Act 1986 and to delegate to any such manager ("the manager") the exercise of all or any of their powers of investment on such terms and at such reasonable remuneration as the trustees may think fit but subject always to the following conditions:

- (i) the delegated powers shall be exercisable only within clear policy guidelines drawn up in advance by the trustees and within the powers of investment conferred by this deed
- (ii) every transaction carried out by the Manager under delegated powers shall be reported to the Trustees within 14 days
- (iii) the trustees shall be bound to review the arrangements for delegation at least once.

With regard to Article 6.1 would say that while charity trustees may delegate the exercise of trusts, powers and discretions to agents (properly selected and duly and sensibly supervised), this is necessarily limited to administrative and management matters and does not extend to the dispositive discretion of trustees which is and should remain theirs alone.

60. The directors may appoint a manager or managers on such terms as the directors think fit.

61. The directors may delegate any of their powers to any manager or any committee consisting of one or more directors or other persons. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered Provided that: the Directors under this provision may delegate the exercise of management and administration functions only (including the selection of investments in accordance with an investment policy and objectives set by the directors) and not any decisions as to purposes or objects for which assets may be disposed and Provided that all delegation be to a properly selected and duly supervised individual

or individuals and only for the purposes of the trust. Subject to any such conditions, the proceedings of a committee with three or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying provided that all acts and proceedings of any such committee shall be reported back to the directors fully and promptly.

Directors' expenses

62. The directors may be paid all reasonable travelling, hotel, and other out of pocket expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or otherwise in connection with the discharge of their duties.

Directors' appointments and interests

63. Subject to the provisions of the Act and the Memorandum, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit. Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.
64. Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:
- 64.1 may be a party to, or otherwise be interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - 64.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
 - 64.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
65. For the purposes of Article 70:
- 65.1 a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of person is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
 - 65.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

Proceedings of directors

66. Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may and the Secretary at the request of a director shall call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall have a second or casting vote.

67. The quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number shall be four.
68. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number but if the number of directors is less than the number fixed as the quorum the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
69. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within 5 minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
70. All acts done by a meeting of directors or of a committee of directors or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office or had vacated office or were 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 director and had been entitled to vote.
71. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the same form each signed by one or more directors.
72. Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest, including matters contained in the proviso to clause 4 of the Memorandum.

President, vice-president and patrons

73. The directors may invite any person whether or not a member of the Company to become a president, vice-president or patron of the Company upon such terms and conditions as the directors shall from time to time decide. No such person shall by virtue only of any such appointment be a member or a director or, being a member or a director, shall have any greater powers in relation to the governance and administration of the Company than he already possesses by virtue of his membership or directorship and any such person who is not a member of the Company shall have no vote at any general meeting.

Secretary

74. Subject to the provisions of the Act the Secretary shall be appointed by the directors for such term and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

Treasurer

75. The directors may from time to time appoint a Treasurer or Honorary Treasurer who shall be a person other than the Secretary upon such terms and powers and duties as the directors shall determine.

Bankers

76. A banking account shall be kept in the name of the Company at such bank or banks as the directors shall from time to time appoint and cheques shall only be drawn signed and endorsed in such manner and by such two or more directors as the directors shall from time to time direct.

Minutes

77. The directors shall cause minutes to be made in books kept for the purpose:
- (a) of all appointments of officers made by the directors; and
 - (b) of all proceedings at meetings of the Company and of the directors and of committees of directors including the names of the directors present at each such meeting.

The Seal

78. The Seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a director and by the Secretary or by two directors.
79. Where the statutes so permit any instrument signed by one Director and the Secretary or by two Directors and expressed to be executed by the Company shall have the same effect as if executed under the Common Seal of the Company, provided that no instrument which makes it clear on its face that it is intended to have effect as a deed should be so signed without the authority of the Directors or a committee authorised by the Directors.

Accounts

80. The Board shall cause accounting records to be kept in accordance with the requirements of the statutes.
81. The accounting records shall be kept at the Office or, subject to the provisions of the statutes, at such other place or places as the Board shall think fit, and shall always be open to the inspection of the Directors.
82. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

Notices

83. Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
84. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address but otherwise no such member shall be entitled to receive any notice from the Company.
85. A member present either in person or by proxy at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
86. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

Winding up

87. On the winding-up and dissolution of the Company the provisions of the Memorandum of Association

shall have effect as if repeated in these Articles.

Indemnity

88. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

Names, addresses and descriptions of subscribers

Dated this day of
Witness to the above signatures

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