

3305378

THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS
(A Company limited by guarantee)

At an Extraordinary General Meeting of members of the Company held at the Arsenal Emirates Stadium, Ashburton Grove, London N7 7AF on Friday the 24th of November 2006 at 1230 pm, the following resolution was adopted:-

SPECIAL RESOLUTION (revisions to the Articles of Association)

That the following amendments be made to the Association's Articles of Association;

Definitions: "Patron" deletion of the words "and at the discretion of" and the substitution of "Article 3 (d)" with "Article 3.2".

Article 3.2: substitution of existing words with: " Patrons who undertake to support and promote the Company's Code of Practice may apply for registration as a Patron. The Board shall register Patrons (who may include Associate Patrons) on such terms as terms as the Board may prescribe from time to time and at the Board's absolute discretion (in the event of declinature the Board need not give any reasons).

Associate Members and Patrons shall not be entitled to vote at General Meetings nor to contribute to the Company's assets on a winding up. The Secretary shall keep and maintain a register of Associate Members and Patrons with the Statutory Books of the Company. " and consequential additions of the words "and Patrons" to Articles 3.1, 4 (b) (ii), 7(a), 7 (b), 9, 10 (b) and 73 (d).

Article 4 (b) (ii): addition of the words "(provided that Articles 4 (b) (ii) and 4 (c) shall not apply to applications for registration as Patrons)".

Article 6 (line2) : addition of the words " (a Patron shall give at least one calendar years notice to the Company)" following the words "...notice to the Company.."

Article 10(a): line 2: addition of the words "(or registration as a Patron)" after the words "...application for membership.."

Article 20 line 1: deletion of the words "(being the President of the Company)";

line 5: substitution of the words "Deputy Chairman" with the words "Vice Chairman";

Article 28 (c) line 1: deletion of the words "registered representatives Honorary Members" so that the Article reads "Associate Members and Patrons have no right to vote although they may attend general meetings and speak with the permission of the Chairman."



CONSTITUTION OF THE BOARD

Article 36: deletion of sub paragraph (a) and consequential re numbering of the following sub paragraphs (a) – (d) and revisions as follows:

Article 36(a) “(The Board shall consist of the following)”: revision of the paragraph to read “Subject to the provisions of Article 44 not less than eight nor more than ten Directors of whom all but the Chairman must be Members;”

(b): substitute “The Chief Executive (*ex officio*)” with the words “Senior Executive Officer of the Company (*ex officio*)”;

Article 37 (a) and (b): deletion of the words “The Deputy Chairman and” and “Deputy Chairman” and substitution of “Article 36 (b)” with “Article 36 (a)”;

deletion of 37 (c) (“a candidate for the position of Deputy Chairman must undertake if elected to serve a minimum of one year in that office and on the serving Chairman relinquishing his office, as Chairman”);

Article 38 (a): deletion of words “nominations for Deputy Chairman shall be submitted in the same way”

(c): deletion of the words “only one nomination for Deputy Chairman and”;

(e) and (f): deleted with consequential re numbering;

(g) line 1: substitution of “eight candidates” with “ten candidates”

line 2: deletion of the words “or more than one for Deputy Chairman”;

Line 9: addition of the words “ For the avoidance of doubt voting shall be in person only and not by proxy”.

Article 39 (a) lines 5/6: substitution of “twelve months” with “twenty four months”;

(c) and (e): delete with consequential re numbering;

Article 43: Substitute “Powers and duties of Particular Officers” with “Chair and Vice Chair”;

Article 43 (a) to (b) and Article 44 (a) to (b): delete and substitute with consequential re numbering with:

“43 The Company shall have a Chair, appointed by the Board, (who may also be known as “the President”) who shall chair Board Meetings. The Company shall also have a Vice Chair (who may additionally be known as “the Deputy President”) who shall be similarly be appointed by the Board. Board Members may vote on a motion to elect themselves as Chair or Vice Chair.

44 The first item of business for the first Board Meeting following the year ending 31 December shall be to elect the Chair and Vice Chair (or where either office is mid term, to confirm the appointments). The Board may agree to invite and elect a person (who need not be a member) of suitable standing and reputation to join the Board as Chair (in addition to the numbers stipulated in Article 36 (a). The Chair and Vice Chair cannot be employees of the Company.

45 In the case of any equality of votes at Board Meetings the Chair shall have a casting vote.

46 The Chair shall on election hold office for a period of whichever is the lesser of two years or the date on which the Chair resigns as Chair or ceases to be a Board member, (and for no more than two successive terms of two years).

47 The Chair may be removed at a Board Meeting, requisitioned by a minimum of two directors, and called for this purpose provided the resolution is passed by at least two thirds of the members of the Board at the Meeting.

THE CHAIR’S RESPONSIBILITIES

48 The Chair shall ensure that:

48.1.1 the Board’s business and the Company’s General Meetings are conducted efficiently;

48.1.2 all Board members are given the opportunity to express their views;

48.1.3 a constructive and supportive working relationship is established with the senior executive officer and the executive of the Company;

48.1.4 the Board delegates sufficient authority to its Committees, the Chair, and the senior executive officer to

enable the business of the Company to be carried on efficiently between Board Meetings;

48.1.5 the Board receives professional advice when appropriate;

48.1.6 as President and the chief spokesperson of the Company, the Company's interests and objectives are represented in such manner as the Board shall previously approve and direct and with the previous knowledge of the senior executive officer (whose advice shall be taken into account);

48.1.7 the Company's affairs are conducted in accordance with prevailing standards of good governance and propriety;

48.1.8 a full and transparent report of the Company's activities is presented to the Annual General Meeting in each year together with a summary of the proposed strategy for the forthcoming year;

48.1.9 a written statement of the Chair's responsibilities is Agreed with the Board and reviewed annually by the Board;

48.1.10 a full job description in respect of the office of the senior executive officer is prepared for approval by the Board, handed to the senior executive officer, and is reviewed at least annually. The review shall include an annual appraisal of the performance of the senior executive officer and his remuneration for the following year.

VICE CHAIR

49.1 The Vice Chair shall act as Chair on all such occasions as the Chair is absent and, for that period, shall be subject to the Chair's responsibilities as stipulated in article 48;

Subject to his business and personal commitments, the Vice Chair shall (without binding the Board in the election of the Chair) offer himself for election by the Board for the office of Chair on the current Chair relinquishing his office."

Article 46 line 2: add the words "in addition to the power reserved in Article 62";

Article 50 line 3: substitute "five Board Meetings in any one year" with "six Board Meetings in any one year".

Article 53: add "The Board may hold meetings using a telephone conference facility to which the directors are connected. A quorum must register and be collectively and individually in attendance throughout the meeting."

Article 54(c): add “singly, or £1000 cumulatively, in any one financial quarter, subject always to ratification by Directors at the next Board Meeting”.

Article 57: delete Article 57 and substitute with “61(h) fails without reasonable excuse to attend Board Meetings in accordance with the Board’s standing instructions”.

Article 58: delete and substitute with “ The Board may from time to time make provision for the payment of expenses incurred wholly and exclusively by directors (or such others as are requested by the Board to attend) attending Board or General Meetings or Committees or, exceptionally whose reasonable expenses have been similarly incurred in the performance of their duties. The Board shall agree the remuneration by way of salary (together with such benefits as are necessary or appropriate to the office) of the Senior Executive Officer (and to review it at least annually).

Chairman

24 November 2006

COMPANIES ACT 1985

**A COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL**

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

**THE NATIONAL ASSOCIATION OF
COMMERCIAL FINANCE BROKERS**

DRUCES & ATTLEE
Salisbury House
London Wall
London EC2M 5PS
Tel: 0171 638 9271 Fax: 0171 628 7525
Ref: 88

COMPANIES ACT 1985

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

MEMORANDUM

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ARTICLES OF ASSOCIATION

-OF-

THE NATIONAL ASSOCIATION OF
COMMERCIAL FINANCE BROKERS

(Company No. 3305378)

COMPANIES ACT 1985

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

- OF -

THE NATIONAL ASSOCIATION OF COMMERCIAL
FINANCE BROKERS

COMPANIES HOUSE

- 1 The name of the Company is "THE NATIONAL ASSOCIATION OF COMMERCIAL FINANCE BROKERS".
- 2 The Registered Office of the Company will be situated in England and Wales.
- 3 The objects for which the Company is established are:
 - (a) To promote, protect, encourage and co-ordinate the professional interests of persons primarily engaged in the business of acting as commercial finance brokers and intermediaries in the British Isles;
 - (b) To provide and maintain a Code of Practice representing best professional standards of persons engaged in the above-mentioned business to be observed by Members of the Company;
 - (c) To strive for recognition by Government, lenders, other professionals and members of the public of the professionalism and integrity of Members of the Company;
 - (d) To represent the interests of Members to persons or bodies regulating, influencing or affecting their affairs including Government, other trade associations or media or consumer groups or persons, companies or bodies which provide products or services which commercial finance brokers arrange or advise upon;

- (e) To engage in discussions with lenders and representative organisations to secure advantageous trading terms or other benefits for Members and to clients of Members;
- (f) To monitor any Bill, Act of Parliament, EC Directive, Regulation or Order relevant to commercial lending or finance broking or related areas and to make submission to the requisite authorities in respect of any such material;
- (g) To arrange for information to be made available to the general public by way of books, pamphlets, posters, letters, advertisements or through the media or otherwise, about the activities and functions of commercial finance brokers;
- (h) To encourage professional and social interaction between Members;
- (i) To co-operate with and to establish working relationships with any kindred associations or organisations;
- (j) To assist Members in meeting the educational and continuing professional development requirements of their personnel with the object of ensuring that Members of the Company provide qualified personnel who undertake business to the highest professional standards;
- (k) To provide means of arbitration or other facilities for settling disputes or questions between Members of the Company or between Members of the Company and third parties;
- (l) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights, privileges or easements over or in respect of any property which the Company may consider necessary or convenient for the promotion of its objects;
- (m) To sell, let, mortgage, manage, exchange or dispose of or otherwise deal with and turn to account all or any part of the property or assets of the Company as may be thought expedient with a view to promotion of its objects;
- (n) To borrow or raise money for the purpose of the Company on such terms and on such security (including the creation of any debenture, mortgage or charge over the whole or part of the property of the Company) as may be thought fit;
- (o) To invest and turn to account any monies for the time being not required for its purposes in or upon the security of any property, real or personal, of any nature whatsoever or by placing the same on deposit at any bank or in such other manner as the Board shall deem appropriate, subject nevertheless to such conditions (if any) that may for the time being be imposed or required by law;
- (p) To acquire all or any part of the property, shares, assets or liabilities of any person, firm, association, society or corporation in any part of the world, whose

objects are in general similar to the objects of the Company or which are capable of being conducted so as to directly or indirectly benefit the Company including, without limitation the assets held by the trustees of the unincorporated association, known as the National Association of Commercial Finance Brokers;

- (q) To amalgamate, affiliate, co-operate with or subscribe to or hold membership of any association, society, person, firm or corporation in any part of the world, whose objects are in general similar to the objects of the Company;
- (r) To transfer all or any part of the property, assets or liabilities of the Company to any association, society or corporation with which the Company is authorised to amalgamate;
- (s) To form any subsidiary company or other organisation which would be to the benefit or interest of Members and to participate in any joint venture or other union of interests of mutual benefit;
- (t) To establish, support and subscribe to any charitable organisation which may be for the benefit of commercial finance brokers, and to subscribe or guarantee money for any charitable, benevolent, educational or social object or for any other useful object which the Board may think desirable and advantageous to the Company or its Members, and to undertake, accept, execute and administer any charitable trusts;
- (u) To hold, apply for, take out, purchase or otherwise acquire and maintain intellectual property rights of all kinds including without limitation know-how, expertise rights in trade secrets and confidential information, patents, registered designs, trademarks, copyrights, design rights, and to take or grant licences to use in any manner any such intellectual property or otherwise turn it to account for the benefit of the Company;
- (v) To subscribe for, purchase or otherwise acquire and hold shares, stock debentures or other securities in any other company;
- (w) To draw, accept, make, enclose, issue and negotiate bills of exchange, promissory notes and other negotiable instruments;
- (x) To do all such other lawful things as are incidental or conducive to the attainment of the above objects or any of them.

AND SO THAT:

- (1) None of the objects set forth in any sub-clause of this Clause shall be restrictively construed but the widest interpretation shall be given to each such object, and none of such objects shall, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from any other object or objects set forth in such sub-clause, or by reference to or inference from the terms of any other sub-clause of this

Clause, or by reference to or inference from the name of the Company.

- (2) None of the sub-clauses of this Clause and none of the objects therein specified shall be deemed subsidiary or ancillary to any of the objects specified in any other such sub-clause.
- (3) The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in this 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. PROVIDED THAT nothing herein shall prevent any payment in good faith by the Company of reasonable and proper remuneration or reward including the provision of pensions to any Member, officer or servant of the Company, for any services rendered to the Company, nor prevent the payment of interest at a rate not exceeding Bank of England base rate on money lent, or reasonable and proper rent for premises demised or let by any Member to the Company. PROVIDED ALSO THAT nothing herein shall prevent a member of the Board of the Company from being appointed to any salaried office of the Company and remuneration or other benefit in money or monies worth being given to any member of such Board, including but without prejudice to the foregoing repayment of out-of-pocket expenses.
- (4) *The liability of the Members is limited.*
- (5) Every Member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the time that he is a Member, or within one year afterwards, for payment of the debts and liabilities of the Company contracted before he ceased 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 five pounds (£5) or equivalent in currency of the European Union.
- (6) If upon the winding up or dissolution of the Company there remains after the satisfaction of all its debts and liabilities or other obligations, any monies or property whatsoever, the same shall not be paid to or distributed amongst the Members of the Company but shall be given or transferred to some other institution or institutions having objects similar to the objects of this Company or, to a charity or charities to be determined by the Members of the Company at or before the time of dissolution or, in default thereof, by such Judge of the High Court of Justice as may have or acquire jurisdiction in the matter.

We, the subscribers to the Memorandum of Company, wish to be formed into a company pursuant to this Memorandum

Names and Addresses of the Original Subscribers	
1.	IAN WHEADON 49 Whitchurch Road Cardiff South Glamorgan CF4 3JP
2.	STUART HARE Vanguard Suite Broadcasting House Middlesbrough Cleveland TS1 5JA
<p>Dated this 18th day of October 1996</p> <p>Witness to the above Signatures:</p> <p>PHILIP LINDSAY REWSE MITCHELL Salisbury House London Wall London EC2M 5PS</p> <p>SOLICITOR</p>	

COMPANIES ACT 1985

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

- OF -

THE NATIONAL ASSOCIATION OF COMMERCIAL

FINANCE BROKERS

(Amended by Special Resolutions adopted on
the 21st November 1997,
the 30th October 1998 and
the 24th November 2000 and
the 12th November 2002 and
the 18th November 2003
the 24th November 2006)

PRELIMINARY

- 1 Regulations 2 to 35 inclusive, 54, 55, 57, 59, 76, 102 to 108 inclusive, 110, 114, 116 and 117 of Table A, shall not apply to the Company

INTERPRETATION

- 2 In these Articles:-

"The Act" means the Companies Act 1985 and any statutory modifications or re-enactment thereof.

"the Articles" means these Articles of Association of the Company. Save as varied hereby, the Articles are governed by Table C of the Companies (Tables A to F) Regulations, 1985, Statutory Instrument No 1985/805 as amended by the Companies (Tables A to F) Regulations, (Amendment) Regulations 1985, Statutory Instrument Number 1985/1052.

"the Board" means the Board of Directors for the time being of the Company.

"Board Member"	means a Director of the Company.
"the Company"	means The National Association of Commercial Finance Brokers.
"Firm"	means a partnership or sole trader.
"Members"	means members of the Company.
"the Office"	means the Registered Office of the Company.
"Patron"	means a Limited Company or Firm of appropriate financial standing and reputation approved by the Board to be a Patron of the Association under Article 3 .2
"Principal"	means a person engaged in concluding transactions with or on behalf of clients in the course of commercial finance leasing or factoring business, who is a sole proprietor or partner of a member firm.
"the Secretary"	means any person appointed to perform the duties of the Secretary of the Company
"In Writing"	means written, printed, lithographed or photographically copied, or partly one and partly another, and other modes of representing or reproducing words in a visible form including information technology and the internet

Words importing the singular number only shall include the plural number and vice versa. Words importing the masculine gender only shall include the feminine gender. Words importing persons shall include bodies of persons whether incorporated or unincorporated. 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

In regulation 1 of Table A the definition of "the holder" shall be omitted.

MEMBERS AND PATRONS

- 3.1 The subscribers to the Memorandum of Association of the Company and such other persons who are admitted to membership in accordance with these Articles shall be the Members of the Company and no persons shall be admitted as Members unless they are:
 - (a) Limited Companies and Firms who on their membership application forms declare that their principal trading activity consists of acting as intermediaries between business customers and sources of finance for the purposes of loan leasing or factoring transactions, or such similar activities as may be determined

from time to time by the Board PROVIDED THAT where Company accepts in good faith a Member who has made a declaration in the terms set out above but it comes to the notice of the Board that the Member is ineligible, then the Board shall be at liberty to apply the provisions of these Articles to such Member with a view to expulsion.

- (b) Associate Members, being either individuals, or individuals representing Firms or Limited Companies, who register with the Company and thereupon sign an undertaking in the prescribed form to abide by the Code of Practice of the Company issued from time to time (including its disciplinary procedures) and who comply with such other directions and pay such fees (not exceeding one half of the fees payable by the full Members) as the Board may in its discretion decide;

- 3.2 Patrons who undertake to support and promote the Company's Code of Practice may apply for registration as a Patron. The Board shall register Patrons (who may include Associate Patrons) on such terms as the Board may prescribe from time to time and at the Board's absolute discretion (in the event of declinature the Board need not give any reasons).

Associate Members and Patrons shall not be entitled to vote at General Meetings nor required to contribute to the Company's assets on a winding up. The Secretary shall keep and maintain a Register of Associate Members and Patrons with the Statutory Books of the Company.

- 4 (a) All applications for membership shall be made in writing in such form as the Board shall from time to time prescribe. Applicants shall provide the Board with such information and references as the Board shall require in order to consider the application.
- (b) Each application form shall, in addition to the identity of the business entity or trading name and such other information as the Board may require, in order to satisfy itself that the applicant is a fit and proper person and of sufficient financial soundness to be a member of the Association, specify:
 - (i) the individual who is the Managing Director or Principal of the Company or firm, and
 - (ii) one or more individuals (unless designated under (i)) who conduct commercial finance leasing or factoring activities on behalf of the applicant and in respect of whom the applicant wishes to maintain registered representative status. Every Member must maintain at least one such individual registered with the Company throughout its membership and shall notify forthwith the Board of any change of registered individuals (provided that Articles 4(b)(ii) and 4(c) shall not apply to applications for registration as Patrons).

- (c) On an application to renew annual membership, the Board shall be entitled to treat as a new applicant any existing Member any of whose individual names submitted for registration have previously been either unregistered or have not maintained separate Associate status.
- 5. Membership of the Company may be declined either on first application or renewal after due and proper enquiry by the Board (including circulation of the application to the Association's registered members) in its absolute discretion exercised in the interests of the Company. In the case of declining on first application, the Board need not assign any reasons.
- 6. A Member may at any time resign from the Company by giving at least three months' notice to the Company (a Patron shall give at least one calendar years notice to the Company). Membership shall not be transferable.

SUBSCRIPTIONS

- 7.
 - (a) The annual subscription ("the Subscription") shall be the amount payable by each Member (including Associate Members and Patrons) in accordance with Articles 7(b) and (c) and on the date specified in Article 10(a).
 - (b) The amount of the Subscription in any calendar year shall be as recommended by the Board in its annual budget to Members and approved by them in general meeting pursuant to Article 32. The Board shall be entitled to recommend different amounts of subscriptions for different categories of Members and Patrons and for different branch offices of the same Member.
 - (c) The Subscription payable in accordance with paragraphs (a) and (b) above shall be inclusive of a fee for a single registered individual as set out in Article 4(b). Additional registered individuals shall be subject to a further fee of such amount as the Board may recommend for approval in the annual budget.
- 8. The Board shall from time to time determine the times and manner for payment of Subscriptions and shall be entitled (but not obliged) to make provision for payment of an appropriate part of any Subscription where, in the year of admission, membership is not held for the full year for which such Subscription is payable.
- 9. Applicants for membership shall pay their first Subscription on election and they shall not become Members or have their names entered on the register of Members and Patrons until such first subscription has been paid.
- 10.
 - (a) The Subscription and other fees are due in advance on the date on which the application for membership (or registration as a Patron) is approved by duly authorised representatives of the Association and, thereafter, on each successive anniversary thereof. It is the responsibility of each Member to ensure that the correct subscription is paid on time.

- (b) Notwithstanding the provisions of paragraph (a) of this Article any Member, Associate member or Patron whose Subscription shall not be paid within two months of the renewal date for which the subscription is due shall, unless the Board shall otherwise decide, cease to be a Member, Associate member or Patron of the Company and his name shall thereupon be removed from the Register of Members, Associate members and Patrons.
- 11. It shall be the responsibility of the Board from time to time to recommend to Members in General Meeting amounts to be charged to persons to become or remain as Patrons of the Company.

GENERAL MEETINGS

- 12 The Company shall in each 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 notice calling it; PROVIDED THAT so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation. The Annual General Meeting shall be held at such time and place as the Board shall appoint.
- 13 All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The Board may in its absolute discretion convene one or more such meetings in any calendar year to deliver reports to Members and for such other business as it may determine. If, in any year no meeting is called prior to the Annual General Meeting, all Directors' reports and other matters required to be submitted to a General Meeting of Members shall be treated as included in the Business of the Annual General Meeting for that year. General Meetings of Members may be known as meetings of National Council.
- 14 Subject to the provisions of Article 13 the Board may, whenever it thinks fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by section 368 of the Act.

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 not less than twenty-one days notice in writing and any other meeting of the Company shall unless special notice is required by the Act be called by not less than fourteen days notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of the meeting, and, in the case of special business the nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any: as may be prescribed by the Company in General Meeting, to such persons as are, under the Articles of the Company, entitled to receive such notices from the Company.
- 16 The accidental omission to give notice of a meeting to, or the non-receipt of a notice of a

meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 17 (a) The following shall be the ordinary business of the Annual General Meeting:
- (i) consideration of the profit and loss accounts and balance sheet and the reports of the Board and the Auditors for the last completed financial year of the Company;
 - (ii) To receive other reports from the Board;
 - (iii) To receive and approve the national budget for the forthcoming financial year of the Company (including the fixing of Subscriptions);
 - (iv) To elect such members to the Board of Directors as are required to satisfy the provisions of Article 36 for the forthcoming calendar year;
 - (v) To reappoint the Auditors.
- (b) *All other business of the Annual General Meeting and all business of an Extraordinary General Meeting shall be deemed special except that the receipt of reports from the Board at the first General Meeting held in any calendar year shall be regarded as general business.*
- 18 No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business; a quorum shall consist of not less than 10 per cent of the Members for the time being who are entitled to vote at the meeting and who are present in person or through their representatives (or by proxy).
- 19 If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of the 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 and at such other time and place as the person entitled to be Chairman of the meeting in Article 20 or Article 21 may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, then the Members present in person shall be a quorum.
- 20 The Chairman of the Board shall preside as chairman at every General Meeting of the Company, 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, those Board Members present shall elect one of their number to be chairman of the meeting (normally the Vice Chairman).
- 21 If at any meeting no Board Member is willing to act as chairman, or if no Board Member is present within fifteen minutes from the time appointed for holding the meeting, the Members present shall elect one of their number to be chairman of the meeting.

- 22 The Chairman of the meeting 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. When a meeting is adjourned for thirty 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 an adjournment or of the business to be transacted at an adjourned meeting.
- 23 At any General Meeting a resolution put to the vote at 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:-
- (a) by the Chairman; or
 - (b) by not less than five Members present in person or by proxy and entitled to vote thereat;
- Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried whether unanimously or by a particular majority or lost and an entry to that effect in the book containing the Minutes of the proceedings 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. The demand for a poll may be withdrawn.
- 24 Except as provided in Article 26 if a poll be demanded in manner aforesaid, it shall be taken at such time and place and in such manner as the chairman of the meeting shall direct, and such directions may (and shall if so required by not less than five Members present in person or by proxy and entitled to vote thereat) include a postal ballot. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 25 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.
- 26 A poll may be demanded on a question of adjournment.
- 27 If a poll is demanded any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

VOTING AT GENERAL MEETINGS

- 28 (a) Every Member of the Company represented at a general meeting shall have one vote whether on a show of hands or on a poll being demanded.
- (b) No Member shall be entitled to vote at any General Meeting unless all outstanding monies due from that Member to the Company have been paid.

- (c) Associate Members and Patrons have no right to vote although they may attend general meetings and speak with the permission of the Chairman.
- 29 On a poll, votes may be given personally or by proxy. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing. The proxy instrument must be deposited as instructed 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 valid.

CORPORATIONS ACTING BY REPRESENTATIVES AT GENERAL MEETINGS

- 30 A corporation being a Member shall be invited to nominate a person to act as its Representative in the manner provided in Section 375 of the Act. Such Representative shall have the right on behalf of the corporation (and to the extent only to which the corporation would if a person be entitled to do so) to attend General Meetings of the Company and, if so qualified, vote thereat and generally exercise all rights of membership on behalf of the corporation. A corporation may from time to time revoke the nomination of such Representative and nominate another Representative in his place. All such nominations and revocations shall be intimated in writing to the Secretary.

POWERS OF THE GENERAL MEETING

- 31 Subject to the provisions of the Act, Members in General Meeting may (i) by special resolution make, vary and rescind regulations for their meetings and proceedings and (ii) by ordinary resolution make, vary and rescind regulations for the management of the affairs of the Company (including, without limitation, the varying of the terms of any Code of Practice to which Members are subject by virtue of becoming Members of the Company).
- 32 The Board shall submit to the Members for approval at the final general meeting in each year a budget for the next following year which includes:
- (i) an estimate of the expenditure of the Company;
 - (ii) an estimate of the income of the Company from all sources other than Subscriptions;
 - (iii) an estimate of the income of the Company from Subscriptions;
 - (iv) a proposal for the level of Subscriptions to be paid (including those of Associate Members and Patrons).
- 33 In the event of the Members in general meeting not approving the budget referred to in Article 32, the current budget and subscription levels shall remain in effect and be carried forward until the Members in general meeting otherwise decide.
- 34 The Members may, by special resolution, wind up the Company and, subject to the provisions of the Act and the Insolvency Act 1986 direct that the property and

undertaking of the Company be applied for such purposes as comply with the provisions of regulation 6 of the Memorandum of Association.

- 35 No Member of the Company shall make any public announcement concerning the Company without the consent of the Chairman or in his absence some other duly authorised member of the Board but nothing herein shall be deemed to prevent or restrict any normal media publicity for genuine Company projects or events.

CONSTITUTION OF THE BOARD

- 36 The Board shall consist of the following:-

- (a) Subject to the provisions of Article 44 Not less than eight nor more than ten Directors of whom all but the Chairman must be Members;
- (b) The Senior Executive Officer of the Company (ex-officio);
- (c) Up to two other persons who may be co-opted pursuant to Article 42;
- (d) Persons filling casual vacancies or appointed as additional Directors under Regulation 79 of Table A;

- 37 (a) The Directors stipulated in Article 36)(a) shall be elected by the Members at the Annual General Meeting in each year;

Subject as hereinunder provided, every Member is eligible to nominate an individual of his company or firm for election as a Director of the Company.

- 38 (a) Each candidate for election or re-election to the Board must be nominated by two Members by notice in writing sent to the Company Secretary not less than six weeks before the date of the relevant General Meeting;
- (b) Not less than 21 days before the date of the Meeting at which the elections are to take place, the Company Secretary shall give notice of any Board vacancy for which insufficient candidates have been nominated pursuant to Article 39(a);
 - (c) If eight or less nominations for the position of ordinary Directors are received they shall be deemed to have been elected, and not subject to election at the relevant General Meeting;
 - (d) If no nomination of a candidate for an office is received or fewer nominations than there are vacancies, then in such case nominations for candidates to that office may be made by oral proposition of two Members at the relevant General Meeting;
 - (e) Should more than ten candidates be nominated as ordinary Directors there shall be an election at the relevant General Meeting. Such election shall be held by secret ballot conducted by two scrutineers appointed by the Chairman and who

shall not be candidates in the election. Each Member of the Company may vote for up to as many candidates as there are vacancies to be filled but each voting Member shall have one vote for each. To be elected, a candidate shall require more votes than his nearest competitor. In the event of there being an equality of votes between candidates for a single remaining vacancy a further ballot shall be held. For the avoidance of doubt voting shall be in person only and not by proxy.

PERIOD OF OFFICE OF BOARD MEMBERS

- 39 (a) Except in the case of casual vacancies and additional Directors a Board Member elected pursuant to the previous Articles shall take office as on and from 1st January following the General Meeting at which he was elected or re-elected and shall, unless he retires or otherwise ceases to hold office earlier in accordance with the Act or these Articles, hold office as such for a period of twenty four calendar months ("a period of office").
- (b) A Board Member having served one period of office shall retire and be eligible for immediate re-election for a further period of office.
- (c) A person appointed to fill a casual vacancy in the office of a Board Member shall be subject to retirement at the same time as the Board Member as he has replaced would have retired.
- 40 In the event that any doubt or question shall arise as to the eligibility of any person to be a Board Member under the provisions of these Articles, or as to whether any person is due to retire under the provisions of these Articles, or if there is any matter or dispute relevant to the election or appointment of any Board Member, then the matter shall be referred to the Board whose decision shall be final and binding upon the Company and all persons interested therein.
- 41 The Company may by ordinary resolution pursuant to Section 303 of the Act on following Section 304 of the Act and Section 379 of the Act, remove any Board Member notwithstanding anything in these Articles or in any agreement between the Company and such Board Members. Such removal shall be without prejudice to any claim such Board Member may have for damages for breach of any contract of service between him and the Company.
- 42 The Board at the invitation of the Chairman shall have power from time to time to co-opt not more than two persons to be Board Members. Persons appointed under this Article shall hold office during such time as the Board shall decide. The Board shall review all such appointments annually.

CHAIR AND VICE CHAIR

- 43 The Company shall have a Chair, appointed by the Board, (who may also be known as "the President"), who shall chair Board Meetings. The Company shall also have a Vice Chair (who may additionally be known as "the Deputy President") who shall be similarly appointed by the Board. Board members may vote on a motion to elect themselves as Chair or Vice Chair.

- 44 The first item of business for the first Board Meeting following the year ending 31 December shall be to elect the Chair and Vice Chair (or where either office is mid term, to confirm the appointments). The Board may agree to invite and elect a person (who need not be a member) of suitable standing and reputation to join the Board as Chair (in addition to the numbers stipulated in Article 36(a). The Chair and Vice Chair cannot be employees of the Company.
- 45 In the case of any equality of votes at Board Meetings the Chair shall have a casting vote.
- 46 The Chair shall on election hold office for a period of whichever is the lesser of two years or the date on which the Chair resigns as Chair or ceases to be a Board member, (and for no more than two successive terms of two years).
- 47 The Chair may be removed at a Board Meeting, requisitioned by a minimum of two directors, and called for this purpose provided the resolution is passed by at least two thirds of the members of the Board at the Meeting.

THE CHAIR'S RESPONSIBILITIES

48 The Chair shall ensure that:

- 48.1.1 the Board's business and the Company's General Meetings are conducted efficiently;
- 48.1.2 all Board members are given the opportunity to express their views;
- 48.1.3 a constructive and supportive working relationship is established with the Senior Executive Officer and the executive of the Company;
- 48.1.4 the Board delegates sufficient authority to its Committees, the Chair, and the Senior Executive Officer to enable the business of the Company to be carried on efficiently between Board Meetings;
- 48.1.5 the Board receives professional advice when appropriate;
- 48.1.6 as President and the chief spokesperson of the Company, the Company's interests and objectives are represented in such manner as the Board shall previously approve and direct and with the previous knowledge of the Senior Executive Officer (whose advice shall be taken into account);
- 48.1.7 the Company's affairs are conducted in accordance with prevailing standards of good governance and propriety;
- 48.1.8 a full and transparent report of the Company's activities is presented to the Annual General Meeting in each year together with a summary of the proposed strategy for the forthcoming year;
- 48.1.9 a written statement of the Chair's responsibilities is agreed with the Board and reviewed annually by the Board;
- 48.1.10 a full job description in respect of the office of the Senior Executive Officer is prepared for approval by the Board, handed to the Senior Executive Officer, and is reviewed at least annually. The review shall include an annual appraisal of the performance of the Senior Executive Officer and his remuneration for the following year.

THE VICE CHAIR

- 49.1 The Vice Chair shall act as Chair on all such occasions as the Chair is absent and, for that period, shall be subject to the Chair's responsibilities as stipulated in Article 48;

Subject to his business and personal commitments, the Vice Chair shall (without binding the Board in the election of the Chair) offer himself for election by the Board for the office of Chair on the current Chair relinquishing his office.

POWERS AND DUTIES OF THE BOARD

- 50 The Board may exercise all the powers of the Company to borrow money up to a limit set by the Members in General Meeting from time to time 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 Company or of any Company owned or controlled by the Company whether directly or indirectly.
- 51 Subject to the particular powers of the Chairman set out in Article 48 the business of the Company shall be managed by the Board, who may in addition to the power reserved in Article 62 pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act, or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless to the provisions of the Act or these Articles, and to such regulations (including any Code of Practice), not being inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- 52 The Board may from time to time and at any time by Power of Attorney appoint any one or more of their body to act as Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles) and for such period and subject to such conditions as they may think fit, and any such Powers of Attorney may contain such provisions for the protection and convenience of persons dealing with any such Attorney as the Board may think fit and may also authorise such Attorney to delegate all or any of the powers, authorities and discretions vested in him.
- 53 Members of the Board shall promote the objects of the Company, shall regularly attend its meetings, shall take account of recommendations of Members in General Meeting and generally conduct themselves in a manner befitting the officers of a national organisation.
- 54 The Board shall cause Minutes to be made in books provided for the purpose:-
- (a) of all appointments of officers made by the Board;

- (b) of the names of those present at each meeting of the Board and of any Committee of the Board;
- (c) of all resolutions and proceedings at all meetings of the Company, and of the Board, and of Committees of the Board.

PROCEEDINGS OF THE BOARD

- 55 The Board may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit provided that the Board shall seek to arrange not less than six Board meetings in any one year. Questions arising at any 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. The Chairman or Chief Executive or three Board Members may, and the Secretary on the requisition of a Chairman or three Board Members shall, at any time, summon a meeting of the Board. Notice of Board meetings shall be given to all Board Members but it shall not be necessary to give notice of a meeting of the Board to any Board Member for the time being absent from the United Kingdom. At least fourteen working days' notice of a meeting of the Board shall, except in cases of emergency, be given.
- 56 (a) The quorum for the transaction of the business of the Board shall be fixed from time to time by the Board but shall not be less than four and shall exclude those co-opted under the provisions of Article 42. The Board may act notwithstanding a vacancy in its membership.
- (b) If at any Board Meeting, the Chairman of the Company is not present within fifteen minutes of the time appointed for holding the same, those Board Members present may elect one of their number to be Chairman of the meeting.
- 57 A resolution in writing signed by all the Board Members for the time being entitled to vote at Board meetings shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.
- 58 Any Director enabled to participate in the proceedings of a meeting by means of a telephone or other communication device which allows all of the other Directors present at such meeting whether in person or by means of such communication device to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by means of a communication device as aforesaid) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum. The Board may hold meetings using a telephone conference facility to which the directors are connected. A quorum must register and be collectively and individually in attendance throughout the meeting.
- 59 (a) The Board may delegate the day to day conduct of matters to the Senior Executive Officer who shall after consultation with the Chairman act on behalf of the Board between meetings thereof and shall have power to commit the Company to expenditure included in the budget and previously authorised by the Board to be

incurred PROVIDED THAT the Senior Executive Officer acting alone shall not exercise the powers of the Board in relation to the admission, suspension or expulsion of Members.

- (b) The Board may authorise any necessary and urgent expenditure of the Company not included in the budget without prior approval of Members in General Meeting but shall report such expenditure to the next following General Meeting.
- (c) No individual Member of the Board shall have power to commit the Board or the Company to an item of expenditure exceeding £500 singly, or £1000 cumulatively, in any one financial quarter, subject always to ratification by the Directors at the next Board Meeting.

COMMITTEES

- 60
- (a) The Board may constitute committees for particular purposes and on such terms as it thinks fit from time to time. The Board will approve the membership of such committees; membership may consist of Board Members, other Members and other persons who have a specific expertise in the particular work of the committees.
 - (b) The Board may delegate any of its powers to the committees; any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed upon it by the Board.
 - (c) Subject to the regulations not being inconsistent with the provisions of these Articles, the Board shall from time to time make regulations (either generally or in relation to any particular committee of the Board) concerning all matters relating to committees of the Board including their powers, duties and constitution and the procedure for their meetings including the quorum therefor, voting thereat and appointment of chairmen of such meetings.
 - (d) All acts done by any meeting of the Board or of a committee of the Board or by a person acting as a Member of the Board or of a committee shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Board Member or person 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 Board Member or committee member.
 - (e) All committees appointed by the Board will report to the Board.

DISQUALIFICATION OR SUBSTITUTION OF BOARD MEMBERS

- 61
- The office of a Board Member shall be vacated if the Board Member:-
- (a) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
 - (b) becomes prohibited from being a Board Member by reason of any order made

under the Act or the Company Directors Disqualification Act 1986; or

- (c) in the opinion of the Board becomes incapable by reason of mental disorder of discharging his duties as a Board Member; or
- (d) resigns his office by notice in writing to the Company; or
- (e) being a Member of the Company, ceases to be a Member; or
- (f) is removed by the Company in General Meeting in accordance with Section 303 of the Act; or
- (g) (in the case of a co-opted member only) is removed from office by a resolution of the Board approved by three-quarters of those attending and voting at a meeting of the Board specially convened for the purpose and at which the Board Member in question has been given reasonable opportunity of speaking on his behalf. The Board Member in question shall not be entitled to vote on such resolution.
- (h) fails without reasonable excuse to attend Board Meetings in accordance with the Board's standing instructions as prescribed from time to time.

- 62.1 The Board may from time to time make provision for the payment of expenses incurred wholly and exclusively by directors (or such others as are requested by the Board to attend) attending Board or General Meetings or Committees or, exceptionally, whose reasonable expenses have been similarly incurred in the performance of their duties.

The Board shall agree the remuneration by way of salary (together with such benefits as are necessary or appropriate to the office) of the Senior Executive Officer (and to review it at least annually).

COMPLAINTS AND DISCIPLINE

- 63 The Board of Directors shall have exclusive powers (such powers to be incorporated in the Company's prevailing Code of Practice) on behalf of its members:

- (a) to receive and hear complaints about a Member's conduct;
- (b) to institute and carry through disciplinary proceedings against a Member; and
- (c) to reprimand, suspend or expel a Member.

To convene such committees as it considers necessary in order effectively to hear complaints and disciplinary proceedings including subsequent appeals and, if appropriate, arbitration by an external assessor.

THE SEAL

- 64 The Company will not have a common seal and the execution of deeds and other instruments shall be in accordance with section 36A(3) of the Act.

AUDIT

- 65 Once at least in every year the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet and any other accounts required by the Act shall be ascertained by one or more properly qualified Auditor or Auditors.
- 66 Auditors shall be appointed and their duties regulated in accordance with the Act.

ACCOUNTS

- 67 The Board shall cause accounting records to be kept in accordance with the Act.
- 68 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 shall think fit, and shall always be open to the inspection of the Board Members and other officers of the Company.
- 69 The Board 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 the inspection of Members, not being Board Members or officers of the Company, and no Member (not being a Board Member) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Board or by the Company in General Meeting.
- 70 The Board shall cause to be prepared all accounts and reports as are required by the Act and shall lay before the Company in General Meeting (where practicable at its Annual General meeting) all such accounts and reports as are required by and in accordance with Section 241 of the Act.
- 71 A copy of all accounts and reports which are to be laid before the Company in General Meeting shall not less than 21 clear days before the date of the Meeting be sent to all persons entitled to receive notice of General Meetings under these Articles.

NOTICES

- 72 A notice may be given by the Company to any Member either personally or by sending it by post to him or to his registered office, or to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice by first-class post, and to have been effected in the case of a notice of a meeting at the expiration of twenty-four hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of first-class post.
- 73 Notice of every General Meeting of the Company shall be given in any manner hereinbefore authorised to:-
- (a) every Member of the Company except those Members who (having no registered address within the United Kingdom) have not supplied to the Company an

address within the United Kingdom -for the giving of notice to them;

- (b) the Auditor for the time being of the Company;
- (c) every Board Member;
- (d) Patrons
- (e) Associate Members and honorary members.

74 Any notice given to or pursuant to the Articles shall be sufficiently served if sent to the last address notified by such a person to the Company for the purpose of service of notices and in default of such notification to that person's last address.

INDEMNITY

- 75 (a) Subject to the provisions of the Act and without prejudice to any other indemnity to which a Board Member or other officer may otherwise be entitled to every Board Member or other officer of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Such indemnity includes (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application on 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.
- (b) The Company may purchase and maintain for any Board Member or other officer of the Company insurance against any liability which by virtue of law or otherwise attach to him in respect of any mistake, act or omission made in good faith and/or arising by virtue of undertaking or holding any office of the Company or by virtue of being a Director or undertaking the duties of a Director of the Company save for any deliberate fraud or breach of trust of which he may be guilty in relating to the Company.

WINDING UP

- 76 Clause 6 of the Memorandum of Company relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.

We, the subscribers to these Articles of Association, wish to be formed into a company pursuant to these Articles.

Names and Addresses of the Original Subscribers	
1.	IAN WHEADON 49 Whitchurch Road Cardiff South Glamorgan CF4 3JP
2.	STUART HARE Vanguard Suite Broadcasting House Middlesbrough Cleveland TS1 5JA
Dated this 18th day of October 1996	
Witness to the above Signatures:	
PHILIP LINDSAY REWSE MITCHELL Salisbury House London Wall London EC2M 5PS	
SOLICITOR	