

**COMPANY LIMITED BY GUARANTEE**

**MEMBERS' WRITTEN RESOLUTION**

**OF**

**DB MICROCREDIT DEVELOPMENT FUND**

**(the "Company")**

**Company No. 04358311**

**PROPOSED BY THE BOARD OF DIRECTORS OF THE COMPANY IN ACCORDANCE WITH  
SECTION 291 OF THE COMPANIES ACT 2006**

**SPECIAL RESOLUTION**

**THAT** the existing Memorandum and Articles of Association of the Company be and are hereby substituted in their entirety in the form of the attached Memorandum and Articles of Association.

By order of the board:

*OBagshaw*

Secretary

Dated: 23 December 2008

TUESDAY



A26

\*ATG7F63E\*

30/12/2008

COMPANIES HOUSE

291

**THE COMPANIES ACT 1985, 1989 AND 2006**

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

**MEMORANDUM OF ASSOCIATION**

of

**DB MICROCREDIT DEVELOPMENT FUND**

1. The name of the Company (the "Company") is "DB Microcredit Development Fund".
2. The registered office of the Company will be situated in England.
3. Each and every clause (including this clause) both of the Memorandum and of the Articles of Association of the Company shall be read and interpreted as if there were embodied therein an over-riding qualification to the effect that no expenditure, investment, grant or loan by the Company shall be permitted for the purpose of carrying out any activities which are not wholly charitable within the meaning of Section 505 Income and Corporation Taxes Act 1988, or of any amending act thereof (which meaning shall be ascribed to the word "charitable" wherever used in this Memorandum) and that in all cases in which activities permitted by the objects of the Company are in their nature capable of being exercised for purposes which are not wholly charitable, the powers and the objects of the Company shall be held to limit such activities to those which will not prejudice the charitable status of the Company within the statutory meaning before mentioned. Subject to the said over-riding qualifications the objects for which the Company is established are set out below.
4. The objects of the Company shall be to promote by all charitable means the relief of poverty and unemployment anywhere in the world (the "Primary Objects") by, among other things:
  - (a) the provision of financial and other support (by grant, loan or otherwise) to individuals, small businesses and organisations which have difficulty in obtaining credit at a reasonable cost by reason of their poor financial position or by reason of their location, race, gender or any other non-financial criterion (these individuals, businesses and organisations being referred to as "Microcredit Borrowers") provided that any private benefit resulting from such support is purely incidental to the public benefit in the relief of poverty and/or relief of unemployment;
  - (b) the provision of financial and other support at below market rates to entities ("Eligible Intermediaries") which (by grant, loan or otherwise) provide financial and other support to Microcredit Borrowers at a reasonable cost or on a not-for-profit basis where the primary purpose of such support by the relevant Eligible Intermediary is determined by the Company to be one of the Primary Objects and where the support

by the Company assists the relevant Eligible Intermediary in achieving that primary purpose; and

- (c) the promotion, establishment and support of schemes, projects or arrangements of any kind which are conducive to the Primary Objects;

together, the "Objects".

- 5. In furtherance of the Objects but not otherwise the Company shall have the following power:

- (a) to make grants or loans to Eligible Intermediaries provided that the Company shall enter into a loan agreement at beneficial interest rates with each such Eligible Intermediaries as borrowers;
- (b) to establish and support all aid in the establishment and support of any charitable trust, association or institution and to donate, subscribe or guarantee money for charitable purposes in any way connected with or calculated to further any of the objects of the Company;
- (c) to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security upon the whole or any part of the Company's property or assets (whether present or future) and also by a similar mortgage, charge, lien or security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
- (d) to purchase or by any other means acquire and take options over any property whatever and the rights or privileges of any kind over or in respect of any property;
- (e) to apply for, register, purchase or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere in the world patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to expend money in experimenting upon, testing and improving any patents, inventions or rights which the Company may acquire or propose to acquire;
- (f) to improve, manage, construct, repair, develop, exchange, let, lease or otherwise mortgage, charge, sell, dispose of, return to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property rights of the Company;
- (g) to invest and deal with the monies of the Company not immediately required in such manner as may from time to time be determined and to hold or otherwise deal with any investments made;

- (h) to lend and advance money or give credit with or without security to any person, firm or company, to enter into guarantees, deeds of indemnity and suretyships of all kinds and to receive money on loan or deposit;
- (i) to draw, make, accept, endorse, discount, negotiate, execute and issue cheques, bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments;
- (j) to apply for, promote and obtain any private act of parliament, order or licence of any governmental agency or department or other authority for enabling the Company to carry out any of its objects or for effecting any modification of the Company's constitution or for any other purpose which may seem calculated directly or indirectly to promote the Company's interests and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests;
- (k) to enter into any arrangement with any government or authority (supreme, municipal, local or otherwise) that may seem conducive to the attainment of the Objects or any of them and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which the Company may consider desirable in order to carry out, exercise and comply with any such charter, decrees, rights, privileges and concessions;
- (l) to subscribe for, take, purchase or otherwise acquire, hold, sell, deal with and dispose of stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any other company constituted or carrying on business in any part of the world or by any government or authority (supreme, municipal, local or otherwise) or supranational entity in any part of the world;
- (m) to control, manage or finance any company or companies in which the Company has a direct or indirect financial interest, to provide secretarial, administrative, technical, commercial and other services and facilities of other kinds for any such company or companies and to make payments and any other arrangements which may seem desirable with respect to any business or operations or generally with respect to such company or companies;
- (n) to promote any other company for the purpose of acquiring the whole or any part of a property or undertaking or any of the liabilities of the Company or of undertaking any operations which may appear likely to benefit the Company or to enhance the value of any property of the Company and to subscribe for or otherwise acquire all or any part of the shares or securities of any such company;
- (o) to sell or otherwise dispose of the whole or any part of the property of the Company, either together or in portions, for such consideration as

the Company may think fit and in particular for shares, debentures or securities of any company purchasing the same;

- (p) to act as agent, brokers or trustees for any person, firm or company;
- (q) to employ and remunerate any person, firm or company rendering services to the Company provided that person is not a director;
- (r) to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company or to contract with any person, firm or company to pay the same;
- (s) to conduct appeals for money or other gifts or for any other assistance for any of the purposes of the Company and to solicit and accept subscriptions and donations of any kind and bequests for any of the purposes of the Company;
- (t) to do all or any of the matters aforesaid in any part of the world and either as principals, agents, contractors or otherwise and by or through agents, brokers, sub-contractors or otherwise either alone or in conjunction with others;
- (u) to engage and pay, upon such reasonable and proper terms as may be thought fit, any person or persons whether or not being directors and whether on a full time or part time basis to supervise, organise, carry on the work of and advise the Company and be members of the Council of Management;
- (v) to undertake and execute charitable trusts;
- (w) to delegate upon such terms and with such remuneration as the Company shall consider fit to professional investment managers (the "Managers") the exercise of the powers contained in the foregoing provided always that:
  - (i) delegated powers shall be exercisable only within clear policy guidelines drawn up in advance by the members of the Council of Management;
  - (ii) all delegations under this sub-clause shall be revocable immediately on written notice;
  - (iii) all acts and proceedings of the Managers shall be reported regularly to the members of the Council of Management and any resolution passed or decision taken by them shall be reported forthwith to the members of the Council of Management;
  - (iv) the members of the Council of Management may make such regulations and impose such terms and conditions and give such mandates to the Managers as it may from time to time consider fit;

- (v) the members of the Council of Management may delegate financial matters to the Managers and may empower them to resolve upon the operation of any bank account according to such mandate as it shall consider fit whether or not requiring a signature of any member of the members of the Council of Management provided that the Managers shall not incur expenditure on behalf of the Company except in accordance with a budget which has been approved by the members of the Council of Management;
  - (vi) the members of the Council of Management shall review such delegation at intervals not (in the absence of special reasons) exceeding six months but in such a manner that any failure to undertake such review within the said period of six months shall not invalidate delegation; and
  - (x) to do all such other things as may be incidental or conducive to the attainment of the Company's objects or any of them.
6. The income and property of the Company, whenever derived, shall be applied solely towards the promotion of the Objects and no portion thereof shall be paid or transferred directly or indirectly, by way of dividends, bonus or otherwise howsoever by way of profit to the members of the Company; and no director 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:
- 6.1 any payment in good faith by the Company;
  - 6.2 the payment of the usual professional charges for business done by any member of the Council of Management who is a solicitor, accountant or other person engaged in a profession, or by a partner of his, when instructed by the Company to act in a professional capacity on its behalf, provided that at no time shall a majority of the members of the Council of Management benefit under this provision and that a member of the Council of Management shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion;
  - 6.3 the payment in good faith by the Company of reasonable and proper remuneration to any officer or servant of the Company, or to any member of the Company in return for any services actually rendered to the Company provided that person is not a member of the Council of Management unless the specific and particular prior consent of the Charities Commission has been obtained;
  - 6.4 the payment of interest at a rate not exceeding two per cent. per annum less than the published base lending rate of a clearing bank selected by the members of the Council of Management on money lent by any member of the Company;

- 6.5 the repayment to any company of which a member of the Council of Management may be a member and in which such member shall not hold more than one hundredth part of the capital, such member not being bound to account for any share of profits he may receive in respect of such payment; or
- 6.6 the payment to any member of the Council of Management of reasonable out-of-pocket expenses.
7. The liability of the members is to be limited.
8. 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, the payment of the debt and liabilities of the Company contracted before he ceases to be a member and of the costs, charges and expenses of winding-up and the adjustments of the rights of the contributories amongst themselves, such amount as may be required not exceeding £1.
9. If upon 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 institution or institutions 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 6 hereof, such institution or institutions to be determined by the members of the Company and or before the current dissolution and if and so far as effect cannot be given to such provision that to some other charitable body.

I, the person whose name and address are subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of the Association.

**NAMES & ADDRESS OF SUBSCRIBER**

Richard Paul Elliston

Poplars, Manor Way

Knott Park

Oxshott

Surrey KT22 0HU

Solicitor

Dated this 3 day of January, 2002

Witness to the above Signatures:

Edward Michael Fletcher

114a Ashmore Road

London

W9 3DQ

Company Secretary



**THE COMPANIES ACTS 1985, 1989 AND 2006**  
**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**  
**ARTICLES OF ASSOCIATION**  
of  
**DB MICROCREDIT DEVELOPMENT FUND**

**GENERAL**

1. In these Articles:

1985 Act	means the provisions of the Companies Act 1985 for the time being in force, including any statutory modification or re-enactment thereof;
2006 Act	means the provisions of the Companies Act 2006 for the time being in force, including any statutory modification or re-enactment thereof;
Acts	means the 1985 Act and the 2006 Act;
Articles	means these articles of association of the Company;
Auditors	means the auditors for the time being of the Company;
Clear Days	means in relation to a period of notice, or to a period before a meeting by which a request must be received or sum deposited or tendered, a period of the specified length excluding:-  (a) the day of the meeting; and  (b) the day on which the notice is given, the request received or the sum deposited or tendered;
Company	means DB Microcredit Development Fund;
Conflict Situation	has the meaning ascribed to it in Article 36;
Council	means the Council of Management for the time being of the Company;
Council Members	means members of the Council appointed in accordance with these Articles;

Electronic Communication means a communication transmitted (whether from one person to another, from one device to another or from a person to a device or vice versa):-

(a) by means of a system for the conveyance, through the agency of electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy, of: (i) speech, music and other sounds, (ii) visual images, (iii) signals serving for the impartation (whether as between persons and persons, things and things or persons and things) of any matter otherwise than in the form of sounds or visual images, or (iv) signals serving for the actuation or control of machinery or apparatus, and

(b) by other means but while in an electronic form;

General Meeting means a general meeting of the members of the Company;

Interested Members Council has the meaning ascribed to it in Article 37;

In writing means written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in a visible form.

Memorandum means the memorandum of association of the Company;

Office means the registered office of the Company;

Ordinary Resolution means a resolution of the Company which requires the consent of at least 50 per cent. of the members of the Company;

Special Resolution means a resolution of the Company which requires the consent of at least 75 per cent. of the members of the Company; and

United Kingdom means Great Britain and Northern Ireland.

Words importing persons shall include legal and natural persons.

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

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

## MEMBERS

3. The subscribers to the Memorandum shall be members of the Company forthwith upon the Company being incorporated without further qualification or application for membership. Such other persons as shall apply for membership of the Company and as the Council shall approve shall be admitted to membership of the Company in accordance with the Articles and, for the purposes of registration of the Company, the number of members shall be unlimited.
4. For the purposes of section 113 of the 2006 Act and the records of the Company, every application for membership shall be substantially in the following form or in such other form as the Council shall from time to time prescribe:

"To the Council of DB Microcredit Development Fund

I/We • of • wish to become a member of DB Microcredit Development Fund and hereby apply to be admitted as a member subject to the provisions of its memorandum and articles of association.

Dated 200•

....."  
Signature of Applicant

At the next meeting of the Council after the receipt of any application for membership the application shall be considered by the Council which shall decide upon the admission or rejection of the applicant. The Council shall not be obliged to inform a rejected applicant of the reason for his rejection.

5. A member of the Company shall cease to be a member if:
  - (a) he notifies the Company in writing that he desires to retire from membership; or
  - (b) in consequence of a resolution of the Council, provided that no such resolution shall be effective unless such member shall have received not less than 21 days' notice in writing of the proposal that he should cease to be a member, such notice to give the time and place of the meeting of the Council at which the same is to be made and to contain an invitation to such member to attend in person and make representations to the Council thereon.

Upon any member ceasing to be a member his name shall be removed from the list of members in the books of the Company.

6. Every member of the Company shall during his membership have the right to be given all such information with regard to the conduct and affairs of the Company as any officer of the Company may be able to supply at convenient times.
7. No right or privilege of any member shall be in any way transferable or transmissible.

### **GENERAL MEETINGS**

8. The Council may whenever it thinks fit convene a General Meeting, and General Meetings shall also be convened on the requisition of members, or in default may be convened by such requisitions, pursuant to the provisions of the Acts.
9. Subject to the Acts, all General Meetings shall be called by at least 14 Clear Days' notice in writing or shall be given using Electronic Communications to an address for the time being notified for that purpose to the person giving the notice, and shall specify:
  - (a) the time and date of the meeting;
  - (b) the place of the meeting;
  - (c) the general nature of the business to be dealt with at the meeting; and
  - (d) that a member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the meeting.

In relation to Electronic Communications, "address" includes any address or number used for the purposes of such communications. A notice may be given by the Company to any member either personally or by sending it by post or electronic communication to its registered address. The signature of any notice to be given by the Company or the Council may be written or printed.

10. A General Meeting may be called at shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than 90 per cent. of the total voting rights at the meetings of all members.

The accidental failure to give notice of a General Meeting or resolution to be moved at a General Meeting to, or the non-receipt of such notice by, one or more persons entitled to receive notice thereof shall be disregarded for the purpose of determining whether notice of the General Meeting or resolution (as the case may be) is duly given.

11. Notice of all General Meetings shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under these Articles or under the Acts entitled to receive such notices from the Company.

## **PROCEEDINGS AT GENERAL MEETINGS**

12. No business shall be transacted at any General Meeting unless a quorum is present. Save as herein otherwise provided two members personally present shall be a quorum.
13. 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 at such other place as the Council may determine, and 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.
14. The Chairman (if any) of the Council or in his absence the Deputy Chairman (if any) or in his absence a Vice Chairman (if any) therefore shall be entitled to preside as Chairman at every General Meeting but if there be no such Chairman, Deputy Chairman or Vice Chairman or if at any meeting none of them shall be present within fifteen minutes after the time appointed for holding the same and be willing to preside, the members present shall choose some Council Member, or if no such Council Member be present or if all the Council Members present decline to take the chair they shall choose some member of the Company present to preside.
15. The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting at which the adjournment took place. Whenever a meeting is adjourned for 14 days or more, at least seven Clear Days' notice of the adjourned meeting shall be given specifying the time and place of the adjourned meeting and the general business to be transacted. Save as aforesaid, the members shall not be entitled to any notice of an adjournment, or for the business to be transacted at an adjourned meeting.
16. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the Chairman, by at least two members present in person or by proxy, or by a member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote on the resolution. Unless a poll be so demanded, a declaration by the Chairman of the meeting that a resolution has been carried or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn 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.

17. Subject to the provisions of Article 20, if a poll be demanded in a manner aforesaid, it shall be taken at such time and place, and in such manner, as the Chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
18. No poll shall be demanded on the election of a Chairman of a meeting, or on any question of adjournment.
19. In the case of any equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.
20. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been 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.
21. No notice need be given of a poll not taken further with 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 seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

#### **VOTES OF MEMBERS**

22. Subject as hereinafter provided, every member of the Company shall have one vote.
23. Save as herein expressly provided, no member of the Company other than a member duly registered, 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 vote on any question either personally or by proxy, for another member, at any General Meeting.
24. Votes may be given on a poll or on a show of hands either personally or by proxy. A corporation may vote by its duly authorised representative or representatives appointed in accordance with the provisions of the Acts. A proxy must be a member.
25. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if such appointor is a corporation under its common seal, if any, and if none, then under the hand of some officer duly authorised in that behalf.
26. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof shall be deposited at the office not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid. In calculating the periods set out in this clause no account shall be taken of any part of a day

that is not a working day. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution.

27. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

28. Any instrument appointing a proxy shall be substantially in the following form:

"I/We

of

being a member/members of DB Microcredit Development Fund, hereby appoint.\*

of

or failing him

THE CHAIRMAN of the meeting to vote and act for me/us on my/our behalf at the General Meeting of DB Microcredit Development Fund to be held on the day of 20 and at any adjournment thereof.

Please indicate below how you wish your votes to be cast. On receipt by DB Microcredit Development Fund of this form, duly signed, and in the absence of any specific directions, the proxy will abstain or vote at his discretion.

**RESOLUTION NO: 1 2 3 4**

**FOR**

**AGAINST**

\* (you should, if you wish, indicate the name and address of the person you nominate as proxy, who MUST be a member of DB Microcredit Development Fund).

Dated this                      day of                      20

Signed .....

NOTES

1. This proxy must be lodged at the registered office of DB Microcredit Development Fund not later than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof.
2. Any alteration made in this form of proxy should be initialled.
3. In the case of joint holders the signature of any one will be accepted.
4. Any instrument of proxy given by a corporation must be either under its common seal or under the hand of an officer or duly authorised attorney.

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll."

28. Subject to Part 13 of the 2006 Act, a resolution in writing shall be passed as an Ordinary Resolution if it is passed by a simple majority and shall be passed as a Special Resolution if it is passed by a majority of members representing not less than 75 per cent. of the total voting rights of eligible members. A resolution in writing may consist of several instruments in the like form each executed by or on behalf of one or more members of the Company. A resolution in writing must be passed within three months from the date the resolution is circulated or the resolution will lapse.

#### **COUNCIL OF MANAGEMENT**

29. Until otherwise determined by a General Meeting, the number of Council Members shall not be less than three nor more than 15.
30. The Council Members shall be paid all reasonable expenses properly incurred by them in attending and returning from Council meetings or General Meetings of the Company or in connection with the business of the Company.

#### **BORROWING POWERS**

31. The Council may exercise all the powers of the Company to borrow money and to mortgage or charge the whole or any part of its undertaking and property, 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 third party.

#### **POWER AND DUTIES OF THE COUNCIL**

32. The business of the Company shall be managed by the Council who may pay all expenses incurred in the formation of the Company and may exercise all such powers of the Company as are not required to be exercised by the Company in General Meeting. Any such requirement may be imposed either by the Acts or by these Articles or by any regulation made by the Company in General Meeting, but no such regulation shall invalidate any prior act of the Council which would have been valid if that regulation had not been made.



33. All cheques and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Council shall from time to time determine.
34. The Council shall cause minutes to be made of the following:
- (a) all appointments of officers made by the Council;
  - (b) the names of the Council Members present at each meeting; and
  - (c) all resolutions and proceedings at all meetings of the Company and of the Council.

#### **DISQUALIFICATION OF COUNCIL MEMBERS**

35. The office of Council Member shall be vacated if the Council Member:
- (a) becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (b) becomes prohibited from being a Council Member by reason of any order made under the Company Directors Disqualification Act 1986; or
  - (c) becomes incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs; or
  - (d) resigns his office by written notice to the Company; or
  - (e) is directly or indirectly interested in any contract with the Company and fails to declare the nature of his interest as required by these Articles or sections 177 and 182 of the 2006 Act; or
  - (f) is otherwise disqualified from being a charity trustee or trustee for a charity by virtue of section 72 of the Charities Act 1993 (including any statutory modification or re-enactment thereof).

#### **COUNCIL MEMBERS' CONFLICTS OF INTEREST**

36. The Council shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Council Member under Section 175 of the 2006 Act to avoid a conflict of interest (a "Conflict Situation").
37. Authorisation of a Conflict Situation under these Articles shall be effective only if:
- (a) the declaration of interest is made as set out in Articles 41 and 44 below;
  - (b) any requirement as to the quorum at the meeting of the Council Members at which the matter is considered is met without counting the

Council Member in question and any other interested Council Member (together the "Interested Council Members"); and

- (c) the Conflict Situation was agreed to without the Interested Council Members voting or would have been agreed to if the votes of the Interested Council Members had not been counted.
38. Any authorisation of a Conflict Situation pursuant to Article 37 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
39. Any authorisation of a Conflict Situation under these Articles shall be subject to such conditions or limitations as the Council Members may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Council Members at any time. A Council Member shall comply with any obligations imposed on him by the Council pursuant to any such authorisation.
40. A Council Member shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any Conflict Situation authorised by the Council under these Articles and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.
41. A Council Member shall declare the nature and extent of his interest in a Conflict Situation to the other Council Members. Such declaration must be made as soon as is reasonably practicable. Failure to comply with this requirement does not affect the underlying duty to make the declaration of interest.
42. If a Council Member is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company, he must declare the nature and extent of that interest to the other Council Members. Such declaration must be made before the Company enters into the transaction or arrangement.
43. Where a Council Member is in any way, directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company, he must declare the nature and extent of his interest to the other Council Members, unless the interest has been declared under Article 42. Such a declaration must be made as soon as reasonably practicable.
44. The declaration of interest must (in the case of Article 43) and may, but need not, (in the case of Articles 41 or 42) be made:
- (a) at a meeting of the Council Members; or
  - (b) by notice to the Council in accordance with: (i) section 184 of the 2006 Act (notice in writing); or (ii) section 185 of the 2006 Act (general notice).

45. If a declaration of interest proves to be, or becomes, inaccurate or incomplete, a further declaration must be made. A declaration in relation to an interest of which the Council Member is not aware, or where the Council Member is not aware of the transaction or arrangement in question, is not required. For this purpose, a Council Member is treated as being aware of matters of which he ought reasonably to be aware.
46. A Council Member need not declare an interest:
- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (b) if, or to the extent that, the other Council Members are already aware of it (and for this purpose the other Council Members are treated as aware of anything of which they ought reasonably to be aware).
47. Without prejudice to the obligation of a Council Member to disclose his interest in accordance with the Acts, a Council Member may vote on and be counted in the quorum at a meeting in relation to any resolution of the Council in respect of any contract, transaction or arrangement in which he has an interest.

#### **ELECTION OF COUNCIL MEMBERS**

50. No Council Member shall be required to retire from office by rotation.
51. The Company may from time to time by Ordinary Resolution increase or reduce the number of Council Members.
52. The Council shall have power at any time to appoint any person to be a Council Member, either to fill a casual vacancy or as an addition to the existing members but so that the total number of Council Members shall not at any time exceed any maximum number fixed in accordance with these Articles.
53. The Company may by Ordinary Resolution, of which special notice has been given in accordance with section 168 of the 2006 Act, remove any Council Member before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Council Member. The Company may by Ordinary Resolution appoint another person in place of a Council Member removed under this Article.

#### **PROCEEDINGS OF THE COUNCIL**

54. The Council may meet together for the despatch of business, adjourn, and otherwise regulate its meetings as it thinks fit. 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. Any Council Member may at any time summon a Council meeting. It shall not be

necessary to give notice of a Council meeting to any Council Member for the time being absent from the United Kingdom.

55. The quorum necessary for the transaction of the business of the Council may be fixed by the Council and, unless so fixed, shall be one-third of the Council Members, subject to a minimum of three.
56. The Council may act notwithstanding any vacancy in its body, but if and so long as its number is reduced below the number fixed by or pursuant to these Articles as the necessary quorum of Council Members, the Council may act for the purpose of increasing the number of Council Members to that number, or of summoning a General Meeting, but for no other purpose.
57. The Council may elect a Chairman of its meetings and determine the period for which he is to hold office, but if no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the same, the Council Members present may choose one of their number to chair the meeting.
58.
  - (a) The Council may delegate any of its powers to sub-committees consisting of such persons as it thinks fit, but subject always to the following conditions:
    - (i) all delegations under this sub-clause shall be revocable on reasonable notice;
    - (ii) all acts and proceedings of the sub-committees shall be reported regularly to the Council and any resolution passed or decision taken by them shall be reported forthwith to the Council;
    - (iii) the Council may make such regulations and impose such terms and conditions and give such mandates to the sub-committees as it may from time to time think fit;
    - (iv) for the avoidance of doubt the Council may delegate financial matters to the sub-committees and may empower them to resolve upon the operation of any bank account according to such mandate as it shall think fit whether or not requiring a signature of any Council Member PROVIDED THAT the sub-committees shall not incur expenditure on behalf of the Company except in accordance with a budget which has been approved by the Council; and
    - (v) the Council shall review such delegation at intervals not (in the absence of special reasons) exceeding six months, but any failure to undertake such review within the said period of six months shall not invalidate the delegation.

- (b) Notwithstanding any other provision of this Article **FIRSTLY** no meeting of any sub-committee as aforesaid shall be quorate unless at least one Council Member shall be present and **SECONDLY** no resolution of any sub-committee as aforesaid shall be valid unless the member or Council Member or Council Members present (or a majority of them if more than two) shall vote in favour of the resolution concerned in addition to a majority of the sub-committee.
- 59. The meetings and proceedings of any sub-committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Council so far as the same are applicable and are not superseded by any regulations made by the Council.
- 60. All acts done by any meeting of the Council of a sub-committee, or by any person acting as a Council Member, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Council Member or person acting as a Council Member, 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 Council Member.
- 61. A resolution in writing, signed by all the Council Members entitled to receive note of a Council meeting, shall be as valid and effectual as if it had been passed at a Council meeting duly convened and held, and may consist of several documents in like form each signed by one or more Council Members.

#### **THE SEAL**

- 62. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Council and in the presence of at least two Council Members and the said Council Members shall sign every instrument to which the seal shall be so affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Company, such signatures shall be conclusive evidence of the fact that the seal had been properly affixed.
- 63. Notwithstanding Article 62, the Council may determine to execute any instrument without affixing the seal thereto. The Council may determine who shall sign any such instrument which shall be signed by:
  - (a) two authorised signatories of the Company; or
  - (b) a Council Member in the presence of a witness who attests the signature.

#### **INDEMNITY**

- 64. Subject to the provisions of the Acts, the Company may:
  - (a) indemnify any Council Member of the Company against any liability; and

- (b) purchase and maintain insurance against any liability for any Council Member of the Company.

### **PRESIDENTS, VICE-PRESIDENTS AND PATRONS**

- 66. The Council may from time to time appoint any person to be the President and any person or persons to be the Vice-Presidents or Patrons of the Company for such term or terms specified at the time of appointment as they think fit. Such persons shall not, by virtue only of such appointment, be Council Members.

### **CHIEF EXECUTIVE**

- 67. The Council may from time to time appoint such a person as they see fit as Chief Executive of the Company to assist in the management, charge, direction and control of the Company's business for such periods and on such conditions and terms and with such power as the Council may from time to time determine. The Chief Executive may attend any meeting of the Council, but shall not have any vote at such meetings. The Chief Executive shall remain at all times and in all respect subject to the control of the Council and may at any time be removed or suspended from office by the Council.
- 68. The Chief Executive may receive such remuneration and/or fee as the Council, in its reasonable discretion, thinks fit.

### **ACCOUNTS**

- 69. The Council shall cause proper books of accounts to be kept with respect to:
  - (a) all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place;
  - (b) all sales and purchases of goods by the Company; and
  - (c) the assets and liabilities of the Company.

Proper books shall not be deemed to have been kept if there are not kept such books of accounts as are necessary to give a true and fair view of the state of the affairs of the Company and to explain its transactions.

- 70. The books of account shall be kept at the Office or, subject to the Acts, at such other place or places as the Council shall think fit, and shall always be open to the inspection of the Council Members.
- 71. Subject to the Acts, the Council shall from time to time determine whether and to what extent and at what times and places and under what conditions and regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Council Members, and no member (not being a Council Member) shall have any right of inspecting any account or book or document of the Company except as conferred by the Acts or authorised by the Council or by the Company in General Meeting.

72. The Council shall send to members of the Company and all persons entitled to receive notice of General Meetings, not later than the end of the period for filing accounts and reports or, if earlier, the date on which it actually delivers the accounts and reports to the registrar, a proper income and expenditure account for the period since the last preceding account (or in the case of the first account since the incorporation of the Company) made up to date, together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Council and the Auditors, and copies of such accounts, balance sheets and reports (all of such shall be formed in accordance with any statutory requirements from the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same.

#### **AUDIT**

73. Once at least in every year the accounts of the Company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.

**NAMES & ADDRESS OF SUBSCRIBER**

Richard Paul Elliston

Poplars, Manor Way

Knott Park

Oxshott

Surrey KT22 0HU

Solicitor

Dated this 3 day of January, 2002

Witness to the above Signatures:

Edward Michael Fletcher

114a Ashmore Road

London

W9 3DQ

Company Secretary