

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY GUARANTEE

AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

OF

CUMBRIA VISION LIMITED

("the Company")

WEDNESDAY



- 1 The Company's name is Cumbria Vision Limited
- 2 The Company's registered office is to be situated in England and Wales
- 3 The Company's objects are
 - 3 1 To undertake, assist, promote, encourage, develop and secure the regeneration of the physical and economic environment of the County of Cumbria ("Cumbria") and of any area outside Cumbria where such activity appears to the Company to facilitate or be conducive to the regeneration of Cumbria, and to re-establish Cumbria as a premier location for business and industries of all kinds, and to facilitate and increase the prosperity of the inhabitants of Cumbria, together with their opportunities for and choice of employment, training and housing, and in particular, but without limiting the generality of the foregoing, the Company shall
 - 3 1 1 lead the economic component of the Cumbria Strategic Partnership,
 - 3 1 2 ensure delivery of the Regional Economic Strategy in Cumbria,
 - 3 1 3 lead the development of an evidence based economic strategy for Cumbria,
 - 3 1 4 manage the delivery of economic development and regeneration in Cumbria,
 - 3 1 5 maximise and manage the flow of external funding into Cumbria, including but not limited to funds provided to the Company by the Northwest Development Agency (or any of its statutory successors) and/or the European Union,
 - 3 1 6 monitor and evaluate the performance of other institutions engaged in the delivery of economic regeneration in Cumbria, to ensure that such delivery is effective and efficient,

- 3 1 7 develop a diverse, dynamic, competitive economy for Cumbria, which is financially, socially and environmentally sustainable,
- 3 1 8 promote the ambitions of Cumbria at regional, national, European and international level
- 3 2 In furtherance of the objects but not further or otherwise the Company shall have the powers set out below
 - 3 2 1 to commission research to inform decision making, to establish baseline data for the economy of Cumbria and to monitor progress against the baseline, to set investment and development priorities for Cumbria, to decide where public sector investment is required to be deployed, to achieve integration between economic development and regeneration bodies in Cumbria, to oversee, monitor and evaluate the delivery of publicly funded projects in Cumbria, to draw down additional funding for Cumbria whenever appropriate opportunities exist, and to identify efficiency savings in the operation of the economic development and regeneration bodies in Cumbria,
 - 3 2 2 to bring, or in any way facilitate the bringing of, any land and buildings in Cumbria into effective use, to create or in any way facilitate the creation of an attractive environment, and to ensure or assist in ensuring that employment, housing, social, cultural, educational and recreational facilities are available to encourage people to live and/or work therein,
 - 3 2 3 to assist, promote and encourage existing and new business, industry and commerce within Cumbria, including the provision of financial support, business counselling and re-location programmes,
 - 3 2 4 to advertise and promote Cumbria and the benefits of Cumbria as a location for the expansion and creation of industry and commerce,
 - 3 2 5 to promote and support the interests of commerce and industry in Cumbria in all circles of local and central government and administration in the United Kingdom and the European Union and elsewhere and in all quasi-governmental bodies and agencies in such places,
 - 3 2 6 to lead the regeneration programme for Cumbria which includes the linking of the communities which surround Cumbria with its development, and to oversee its effective delivery,
 - 3 2 7 to exercise a positive influence on, and provide appropriate advice to, and contribute and collaborate with statutory and local authorities in carrying out their duties as to local and regional planning, highways, and regeneration for Cumbria,
 - 3 2 8 to seek to maximise resources from all relevant external agencies to assist the regeneration of Cumbria,
 - 3 2 9 to provide expert advice and consultancy services to enable or assist any individual, company, undertaking, co-operative or other group to establish a new enterprise or to expand or re-establish an existing enterprise within

Cumbria and to make such resources available on a commercial or subsidised basis as appears to the Company to be appropriate,

- 3 2 10 to commission, procure, produce, print, publish, distribute and sell all kinds of periodicals, books, articles, leaflets, films, videos, CD-Roms, computer programmes, visual and audio aids and other multi-media developments which may occur or other informative material relating to or conducive to the promotion of the Company's objects,
- 3 2 11 to provide education, instruction and carry out research in reference to the Company's objects,
- 3 2 12 to promote, arrange, organise and conduct conferences, lectures, seminars, meetings, discussions, exhibitions and entertainment, and take all other steps as may be necessary for the purpose of promoting and publicising the objects of the Company or procuring contributions to its funds in the form of donations,
- 3 2 13 to require payment for services or for goods provided as is considered appropriate in the furtherance of the Company's objects,
- 3 2 14 to advertise in such manner as may be thought expedient with a view to promoting the Company's objects,
- 3 2 15 to apply for, register, purchase, or by other means acquire and protect, prolong and renew, whether in the United Kingdom or elsewhere any patents, patent rights, brevets d'invention, licences, secret processes, trade marks, designs (whether registered or not) , protections and concessions or other similar property rights including those subsisting inventions, designs, drawings, performances, computer programmes, semi-conductor topographies, confidential information, business names, goodwill and the style of presentation of goods or services and applications for protection thereof, which may seem to the Company to be capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to disclaim, alter, modify, use and turn to account any patents, inventions or rights which the Company may acquire or propose to acquire,
- 3 2 16 to acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm, or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on and as part of the consideration for any such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire an interest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co-operation, or for mutual assistance with any such person, firm or company, or for subsidising or otherwise assisting any such person, firm or company,
- 3 2 17 to improve, manage, construct, repair, develop, exchange, let on lease, mortgage, charge, sell, dispose of, turn to account, grant licences, options, rights and privileges in respect of, or otherwise deal with all or any part of the property, assets, business, rights or undertaking of the Company or any part

thereof, and on such terms and for such consideration as the Company may think fit, including for cash or shares, debentures or security of any other company,

- 3 2 18 to lend and advance money or give credit on any terms and with or without security to any person, firm or company (including without prejudice to the generality of the foregoing any holding company, subsidiary or fellow subsidiary of, or any other company associated in any way with the Company) and to receive money on deposit or loan upon any terms,
- 3 2 19 to guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or any part of the undertaking, property, assets, rights and revenues (present and future) of the Company, or by both such methods or by any other means whatever, the performance of the liabilities and obligations of and the repayment or payment of any monies whatever by any person, firm or company,
- 3 2 20 to borrow and raise money in any manner and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, standard security, 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, standard security, 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,
- 3 2 21 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, and to receive money on deposit or loan,
- 3 2 22 to purchase for development, reclamation, investment or re-sale and to deal in land and commercial and other property of any tenure and any interest therein and to create, sell and deal in freehold and leasehold ground rents and to make advances upon the security of land and/or buildings or other property or any interest therein and generally to deal by way of sale, lease or exchange or otherwise with land and buildings of any type and other property whether real or personal, moveable or immovable and to develop and turn to account any land and/or buildings acquired by the Company or in which the Company is or shall be interested,
- 3 2 23 to enter into any arrangements with any government or authority (supreme, municipal, local, or otherwise) that may seem to the board of directors conducive to the attainment of the Company's objects or any of them, and to obtain from any such government or authority any charters, decrees, rights, privileges or concessions which such board may think desirable and to carry out, exercise, and comply with any such charters, decrees, rights, privileges and concessions,
- 3 2 24 to subscribe for, take, purchase, or otherwise acquire, hold, sell, deal with and dispose of shares, stocks, debentures, debenture stocks, obligations or

securities issued or guaranteed by any other company constituted or carrying on business in the United Kingdom or issued or guaranteed by the government or any authority (municipal, local or otherwise) in the United Kingdom,

- 3 2 25 to control, manage, finance, subsidise, co-ordinate or otherwise assist 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 all kinds for any such company or companies and to make payments by way of subvention or otherwise and any other arrangements which may seem to the board of directors to be desirable with respect to any business or operations of or generally with respect to any such company or companies,
- 3 2 26 to acquire by any means, any real or personal property or rights whatsoever, and to build, construct, erect, replace, equip, maintain, alter or demolish any buildings, works or other real or personal property necessary or convenient for the purposes of the Company, or to finance, guarantee or arrange the execution of such work by any other person, body or company, and to manufacture, buy, sell, lease or otherwise acquire and generally deal in any plant, tools, machinery, goods or things of any description which may conveniently be dealt with in connection with any of the Company's objects,
- 3 2 27 subject to such consents as may be required by law, to solicit, receive and accept financial assistance, grants, donations, endowments, gifts (both inter vivos and testamentary) and loans of any property whatsoever, real or personal and subject or not to any specific charitable trust or condition for the Company's objects,
- 3 2 28 to engage and pay upon such reasonable and proper terms as may be thought fit any person or persons whether on a full time or part time basis or on secondment and whether as consultant or employee to supervise, or organise, or carry on the work of and advise the Company,
- 3 2 29 to amalgamate or affiliate with (by joining or co-operating or by some other means or association) or to acquire or take over all or part of the undertaking or assets of any charitable association or institution or any organisation having objects altogether or in part similar to those of the Company's objects and not formed for profit which the Company may lawfully acquire or take over but so that any steps so taken shall not enlarge the Company's objects or involve any activity or disbursement of funds which do not further the attainment of the Company's objects or any of them,
- 3 2 30 to transfer, convey, assign or lease for any or no consideration any land, building or other property the transfer, conveyance, assignment or lease of which may appear to the Company to be conducive to the attainment of the Company's objects or any of them,
- 3 2 31 to enter into partnership or into any arrangement for joint, shared or mutual promotion, investment or development, union of interest, reciprocal concession or co-operation with any person or company carrying on, engaged, or about to carry on or engage in any business or transaction which the Company is

authorised to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to further the Company's objects or any of them,

- 3 2 32 to sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the board of directors may think fit,
- 3 2 33 to appoint any person or persons, firm or firms, company or companies to be the agent or agents of the Company, and to act as agent or broker and/or as trustee or nominee for any person, firm or company, and to undertake and perform sub-contracts,
- 3 2 34 to remunerate any person, firm or company rendering services to the Company by cash payment or otherwise,
- 3 2 35 to pay for any property or rights acquired by the Company in such manner as the Company may think fit, including payment either in cash or by any securities which the Company has the power to issue or partly in one mode and partly in another and, generally, on such terms as the Company may determine,
- 3 2 36 to accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company in such manner as the Company may think fit, including payment either in cash, by instalments or otherwise, or in fully or partly paid up shares of any company or corporation, with or without deferred rights in respect of dividend or repayment of capital or otherwise, or in debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode or partly in another, and generally in such terms as the Company shall determine,
- 3 2 37 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,
- 3 2 38 to provide, and establish and maintain trusts, funds, schemes, clubs or other arrangements with a view to providing pensions, insurances, allowances, gratuities, bonuses and incentives and benefits of every description including, but not limited to, retirement benefits schemes and/or life assurance schemes to or for the benefit of officers, ex-officers, employees or ex-employees of the Company, or of any company which is for the time being or has at any time been the Company's holding company or a subsidiary of the Company or another subsidiary of that holding company, or the dependants or relatives of any such persons, and to provide or lend money or provide other financial assistance in accordance with or for the purposes of such arrangements, provided that the Company shall not provide, establish or maintain a non-contributory pension scheme,
- 3 2 39 to support any charitable, benevolent or educational fund, institution or organisation, or any event or purpose of a public or general nature, the support of which will or may, in the opinion of the board of directors, directly or indirectly benefit, or is calculated so to benefit, the Company or its business or

activities, or the business or activities of any company which is for the time being or has at any time been the Company's holding company or a subsidiary of the Company or another subsidiary of that holding company,

- 3 2 40 to obtain or support any regulation, bye-law, order or Act of Parliament of the United Kingdom or any other state of jurisdiction for enabling the Company to carry out its objects or to put those objects into effect,
- 3 2 41 to grant indemnities of every description in pursuance of the Company's objects,
- 3 2 42 to establish or acquire and support a company or companies, whether by becoming a member of a company, or by acquiring shares in a company, provided that no such company shall be established or acquired without first obtaining the consent of the Northwest Development Agency (or any of its statutory successors) and any consent which may from time to time be required from the Department of Trade and Industry (or any other governmental authority) for the incorporation or acquisition of any such company,
- 3 2 43 to purchase and maintain for the benefit of any director (including an alternate director) officer or auditor of the Company, or of any company which is the holding company, a subsidiary, or a fellow subsidiary of the Company, insurance against any liability as is referred to in Section 310 (1) of the Act, and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or omitted to be done as a director (including an alternate director) officer or auditor, and, subject also to the provisions of the Act, to indemnify any such person out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of his duties or his office or otherwise in relation thereto, and, without prejudice to the foregoing, to grant any such indemnity after the occurrence of the event giving rise to any such liability,
- 3 2 44 to do all or any of the things or matters aforesaid either as principal, agent, contractor or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others,
- 3 2 45 to do all such other things as may be deemed incidental or conducive to the attainment of the Company's objects or any of them,

AND so that

- (a) none of the objects set out in any of the preceding sub-clauses of this **clause 3** 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 3**, or by reference to or inference from the name of the Company,

- (b) none of the preceding sub-clauses of this **clause 3** 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, and the Company shall have as full a power to exercise each and every one of the objects specified in each sub-clause of this **clause 3** as though each such sub-clause contained the objects of a separate company,
- (c) the word “company” in this **clause 3**, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere,
- (d) in this **clause 3** the expressions “holding company” and “subsidiary” shall have the meanings given to them respectively by section 736 of the Act and the expression “subsidiaries” shall include a subsidiary undertaking as defined by section 258 of the Act, and
- (e) in this **clause 3** the expression “the Act” means the Companies Act 1985, but so that any reference in this **clause 3** to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force

4 The liability of the members is limited

5 Subject to the provisions of **clause 6** the income and property of the Company shall be applied solely towards the promotion of the objects of the Company as set forth in this Memorandum of Association 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

6 Nothing in this Memorandum of Association shall prevent any payment in good faith by the Company

6 1 of reasonable and proper remuneration to any member, officer or servant of the Company for any services rendered to the Company,

6.2 of interest or capital on money lent by any member of the Company or a director,

6 3 of reasonable and proper rent or licence fee for any premises demised, let or licensed by any member of the Company or a director,

6 4 of fees remuneration or other benefit in money or monies worth to a company of which a member of the Company or a director may be a member, or

6 5 to any director of reasonable out of pocket expenses properly incurred in connection with the business or undertaking of the Company

7 Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company’s assets if it should be wound up while such person is a member or within one year after such person ceases to be a member, for payment of the Company’s debts and liabilities contracted before such person ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves

- 8 If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities any property or operating surplus 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 the same as or 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 any extent at least as great as is imposed on the Company under or by virtue of **clause 5** hereof, such institution or institutions to be determined by the members of the Company at or before the time of dissolution, and if insofar as effect cannot be given to this last provision then to some other object as near as may be to that of the Company

We, the subscribers to this Memorandum of Association, wish to be joined into a Company, in pursuance of this Memorandum

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

NORTHWEST DEVELOPMENT AGENCY of
Renaissance House, P O Box 37, Centre Park,
Warrington, Cheshire, CA1 1XB

Signed by
a duly authorised signatory of
Northwest Development Agency

WITNESS to the above signature

Name

Address

Occupation

Dated this day of 2006

CUMBRIA COUNTY COUNCIL of
The Courts, Carlisle, Cumbria, CA3 8NA

Signed by
a duly authorised signatory of
Cumbria County Council

WITNESS to the above signature

Name

Address

Occupation

Dated this day of 2006

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

ARTICLES OF ASSOCIATION
OF
CUMBRIA VISION LIMITED
("the Company")

1 PRELIMINARY

The regulations contained in Table C in the Schedule to the Companies (Tables A to F) Regulations 1985 in force at the time of adoption of these Articles shall not apply to the Company and these Articles alone shall constitute the regulations of the Company

2 OPERATIVE CLAUSES

- 2 1 In these Articles the following expressions have the following meanings unless inconsistent with the context

"Accountable Body"

means the legal entity which, following a formal invitation from the Agency, and the authorised acceptance of such invitation by such legal entity on such terms as are mutually agreed between the Agency and said legal entity, has agreed to act on behalf of the Company in taking responsibility for the receipt and use of any grant funding to be made available by the Agency in relation to the Company's activities and the realisation of the objects set out in the business plan of the Company from time to time,

"Act"

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

"Agency"

means Northwest Development Agency of Renaissance House, P O Box 37, Centre Park,

	Warrington, Cheshire, WA1 1XB (such expression to include its statutory successors),
“Agency Director”	means a Director appointed by the Agency in accordance with Article 11.5,
“Articles”	means the Articles of Association of the Company adopted from time to time,
“Board Chair”	means the chairman of meetings of the Directors (or any committees or sub-committees of the Directors) appointed in accordance with Article 13.9,
“Clear Days”	means in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
“County Council”	means Cumbria County Council of The Courts, Carlisle, Cumbria, CA3 8NA (such expression to include its statutory successors),
“County Council Directors”	means the Directors appointed by the County Council in accordance with Article 11.5;
“Directors”	means the Directors from time to time of the Company or (as the context shall require) any of them acting as the board of Directors of the Company,
“District Councils”	means <ul style="list-style-type: none"> (i) Allerdale Borough Council of Allerdale House, Workington, Cumbria, CA14 3YJ, (ii) Barrow Borough Council of Town Hall, Duke Street, Barrow-in-Furness, Cumbria, LA14 2LP, (iii) Copeland Borough Council of Catherine Street, Whitehaven, Cumbria, CA28 7NY, (iv) Carlisle City Council of the Civic Centre, Carlisle, Cumbria, CA3 8QG, (v) South Lakeland District Council of South Lakeland House, Lowther Street, Kendal, LA9 4UF, and

(vi) Eden District Council of Town Hall,
Penrith, Cumbria, CA11 7QF,

and references to a District Council shall mean
and include its statutory successors,

“District Council Directors”

means the Directors appointed by the District
Councils in accordance with Article 11 5,

“Founder Members”

means each of the County Council, and the
District Councils and the Agency whilst it
remains a member (or any of them as the context
may require),

“Founder Member Directors”

means the Agency Director, the County Council
Directors and the District Council Directors (or
any of them as the context may require),

“General Meeting Chair”

means the chairman of meetings of the members
of the Company appointed in accordance with
Article 6 3, or, failing him, such person as shall
take up the position as chairman in accordance
with Article 6 4,

“Independent Directors”

means all Directors who are not Founder
Member Directors,

“Memorandum of Association”

means the memorandum of association of the
Company adopted from time to time,

“Office”

means the registered office of the Company,

“Seal”

means the common seal of the Company (if any),

“Secretary”

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

“United Kingdom”

means Great Britain and Northern Ireland,

- 2 2 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company
- 2 3 Where the context so admits words importing the singular number shall include the plural number and vice versa
- 2 4 Where the context so admits words importing the masculine, feminine and neuter gender shall include either or both of the others

3. MEMBERS

- 3 1 The subscribers to the Memorandum of Association and such other persons as are admitted to membership in accordance with these Articles shall be members of the Company. No person shall be admitted as a member of the Company unless by the unanimous approval of the existing members, provided that the appointment does not cause the number of members to exceed any number fixed by these Articles as the maximum number of members.
- 3 2 Every person who wishes to become a member shall deliver to the Company an application for membership in such form as the Directors require, to be executed by him, agreeing to be bound by the Memorandum of Association and these Articles and upon being so admitted his name shall be entered in the register of members of the Company.
- 3 3 A member of the Company shall cease to be a member in the event of:
- 3 3 1 such member's resignation, by the giving of not less than one month's written notice to the Company,
 - 3 3 2 such member's death, or being a corporation, its winding up,
 - 3 3 3 such member's bankruptcy or the making of any arrangement or composition with his creditors, or being a corporation, liquidation,
 - 3 3 4 the retirement or removal of such person as a Director,
 - 3 3 5 the passing of an ordinary resolution to remove an existing member by the members provided always that the provisions of this Article 3 3 5 shall not apply to the removal of the Agency, and nor shall they apply to the removal of the County Council, for as long as the County Council is the Accountable Body.
- 3 4 Unless otherwise determined by special resolution there shall be no maximum number of members of the Company, and the minimum number of members of the Company shall be two. If the number of members falls below two, the remaining members or member may continue to act for the purpose of increasing the membership and appointing new members.
- 3 5 Membership shall not be transferable or transmissible by operation of law, except where the rights and obligations of a member of the Company are transferred to a successor body by statute or statutory instrument.

4. GENERAL MEETINGS

- 4 1 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. Not more than 15 months shall elapse between the date of one annual general meeting and that of the next, provided that so long as the Company holds its first annual general meeting within 18 months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the Directors shall appoint. All general

meetings other than annual general meetings shall be called extraordinary general meetings

4 2 The Directors may convene an extraordinary general meeting whenever they think fit

4 3 If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two members of the Company may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors

5 NOTICE OF GENERAL MEETINGS

5 1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least twenty-one Clear Days' notice. All other extraordinary general meetings shall be called by at least fourteen Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed in accordance with section 369(3) of the Act. The notice shall specify the time and place of the meeting and, only in the case of special business, the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. The accidental omission to give notice of a meeting to, or the non-receipt of such notice by any person entitled to receive it, shall not invalidate any resolution passed, or proceedings held, at such meetings

5 2 All business shall be deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at an annual general meeting, with the exception of the consideration of the profit and loss account, balance sheet, and the reports of the Directors and auditors, and the appointment of and the fixing of the remuneration of the auditors

5 3 Notwithstanding that the Company does not have a share capital every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to members in regard to their right to appoint proxies, and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the Directors and to the auditors for the time being of the Company

6 PROCEEDINGS AT GENERAL MEETINGS

6 1 Subject to Article 6 2, no business shall be transacted at any general meeting unless a quorum is present. A quorum shall be two members present in person or by proxy or by a duly authorised representative (where appointed), until such time as there shall be a minimum of five members, and thereafter shall be five members present in person or by proxy or by a duly authorised representative (where appointed), provided that there shall be no quorum unless the Agency is present in person or by proxy or by a duly authorised representative (where appointed), and provided further that if the Accountable Body is admitted as a member, then, following such admission, there shall be no quorum unless the Accountable Body is present in person or by proxy or by a duly authorised representative (where appointed)

6 2 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at

the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned general meeting a quorum is not present within half an hour from the time appointed the member or members present in person or by proxy or by duly authorised representative (where appropriate) entitled to vote upon the business to be transacted shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

6.3 The Agency shall appoint the Chairman of General Meetings of the Company from time to time, and may remove him from that office and replace him by notice in writing to the Company.

6.4 Unless he is unwilling to do so the General Meeting Chair shall preside as Chairman at every general meeting of the Company at which he is present. If there is no General Meeting Chair, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting, or is unwilling to act, the members present shall elect a Director to preside as Chair of the meeting. If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the general meeting, the members present shall choose one of their number to be Chairman of the meeting.

6.5 A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.

6.6 The General Meeting Chair 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 which might properly have been transacted at the meeting had the adjournment not taken place.

6.7 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded

6.7.1 by the General Meeting Chair, or

6.7.2 by at least 2 members having the right to vote at the meeting present in person or by proxy or by a duly authorised representative; or

6.7.3 by a member or members representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting,

and a demand by a person as a proxy or a duly authorised representative for a member shall be the same as a demand by the member.

6.8 If a poll is demanded in the manner aforesaid, it shall be taken at such time and place and in such manner as the General Meeting Chair shall direct not being more than twenty Clear Days after the poll is demanded. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 6 9 Unless a poll is duly demanded a declaration by the General Meeting Chair that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting 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
- 6 10 In the case of an equality of votes, whether on a show of hands or on a poll, the General Meeting Chair shall have a second or casting vote in addition to any other vote he may have
- 6 11 A resolution in writing executed for or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be effectual as if it had been passed at a meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members
- 6 12 Any member or members' proxy or duly authorised representative (being a corporation) may participate in a general meeting by means of a conference telephone or similar communication system whereby all persons participating in the meeting can hear and address each other and participation in a meeting in this manner shall be deemed to constitute presence in person (or by proxy or duly authorised representative as appropriate) at such meeting for all purposes including that of establishing a quorum A meeting held by such means shall be deemed to take place where the largest group of participants in number is assembled In the absence of such a majority the location of the General Meeting Chair shall be deemed to be the place of the meeting

7. VOTES OF MEMBERS

- 7 1 On a show of hands every member present in person or by proxy or by a duly authorised representative shall have one vote and on a poll every member present in person or by proxy or by a duly authorised representative (as the case may be) shall have one vote
- 7 2 Subject to Article 6 5, no person other than a member duly registered shall be entitled to be present, speak or vote on any question, either personally or by proxy or by a duly authorised representative at any general meeting
- 7 3 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer and shall be in the form which the Directors may approve from time to time

8 NUMBER OF DIRECTORS

Unless and until otherwise unanimously agreed by the Directors, the number of Directors shall be not less than two and not more than fifteen, until such time as there shall be a minimum of eleven Directors, and thereafter it shall be not less than eleven and not more than fifteen

9 ALTERNATE DIRECTORS

- 9 1 The Agency Director shall be entitled to appoint an alternate, but no other Director shall be entitled to do so

- 9 2 An alternate Director appointed pursuant to Article 9 1 shall be entitled to receive notices of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, to attend and vote at any such meeting at which his appointor is not present, and generally to perform all the functions of his appointor as a Director in his absence, but shall not be entitled to receive any remuneration from the Company for his services as an alternate Director
- 9 3 An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director
- 9 4 Any appointment or removal of an alternate Director shall be by notice to the Company signed by or on behalf of the Agency Director making or revoking the appointment
- 9 5 Save as otherwise provided in these Articles, an alternate Director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and shall not be deemed to be the agent of the Director appointing him

10 POWERS OF DIRECTORS

- 10 1 Subject to the provisions of the Act, the Memorandum of Association and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company No alteration to the Memorandum of Association or of these Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given The powers given by this Article 10 1 shall not be limited by any special power given to the Directors by these Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors
- 10.2 The board of Directors may delegate any of its powers to committees or sub-committees consisting of such Director or Directors as the board of Directors thinks fit Any committee or sub-committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the board of Directors. The meetings and proceedings of such committee or sub-committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the board of Directors so far as applicable and so far as the same shall not be superseded by any regulations made by the board of Directors Insofar as such power is so delegated, any reference in these Articles to the exercise by the Directors of such power shall be read and construed as if it were a reference to such committee or sub-committee
- 10 3 The board of Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking and property or any part thereof and to issue debentures or other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party
- 10 4 The board of Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as it may determine, including authority for the agent to delegate all or any of his powers

10.5 The board of Directors may act notwithstanding any vacancy in their body, provided always that if the Directors shall at any time be reduced to less than the minimum number prescribed by or in accordance with these Articles, it shall be lawful for them to act as the board of Directors for the purpose of summoning a general meeting of the Company, but not for any other purpose

10.6 All bona fide acts done by any meeting of the board of Directors, or any committee or sub-committee of the board of Directors, or by any person acting as a Director, shall, notwithstanding it being discovered afterwards that there was some defect in the appointment or continuance in office of such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if such person had been duly appointed or had duly continued in office and was qualified to be a Director

11 APPOINTMENT OF DIRECTORS

11.1 The first Directors of the Company shall be the persons named in the statement delivered to the Registrar of Companies pursuant to section 10(2) of the Act who shall be deemed to have been appointed under these Articles. Future Directors shall be appointed as provided subsequently in these Articles

11.2 The members may appoint a person who is willing to act to be an Independent Director, either to fill a vacancy or as an additional Director, provided that no such appointment shall be valid unless the Agency has voted in favour of it, and provided further that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors

11.3 The Directors may appoint a person who is willing to act to be an Independent Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors.

11.4 An Independent Director may be removed from office at any time, by a majority vote of the members, provided that such removal does not cause the number of Directors to fall below any number fixed by or in accordance with these Articles as the minimum number of Directors

11.5 For so long as they remain members of the Company, the Founder Members shall be entitled to appoint Directors from time to time by notice in writing to the Company as follows

11.5.1 the County Council may appoint two persons to be Directors of the Company

11.5.2 the District Councils, acting together, may appoint three persons to be Directors of the Company, and

11.5.3 the Agency may appoint one person to be a Director of the Company.

Subject to the provisions of Article 11.6, each such Director appointed shall hold office and may at any time be removed from office by notice in writing by the Founder Member which appointed that Director. If there shall be a resolution for the removal of a Founder Member Director proposed at a general meeting of the Company, the

Founder Member appointing such Director shall, either on a show of hands or on a poll, have one more vote than the total votes of all the other members entitled to attend and vote at that general meeting

- 11 6 The Directors shall not be subject to retirement by rotation, but, provided such retirement does not cause the number of Directors to fall below any number fixed by or in accordance with these Articles as the minimum number of Directors, each Director shall nevertheless retire from office as a Director on the third anniversary of his appointment, unless the board of Directors extends his term of appointment, provided that any further appointment does not extend for a period of more than three years Where a Founder Member Director retires from office, the relevant Founder Member shall be entitled to appoint another Director in his place, in accordance with the provisions of Article 11 5

12 **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 12 1 The office of a Director shall be vacated if

12 1 1 he ceases to be a Director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a Director, or

12 1 2 he becomes bankrupt or makes any arrangement or composition with his creditors generally, or

12 1 3 he is, or may be, suffering from mental disorder and either

12 1 3 1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983; or

12 1 3 2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs, or

12 1 4 such Director resigns his office by notice to the Company, or

12 1 5 such Director shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated, or

12 1 6 such Director shall be removed from office in accordance with Article 11 5, or

12 1 7 such Director shall retire from office in accordance with Article 11 6, or

12 1 8 in the case of a Director appointed for a fixed term, the end of that fixed term, or

12 1 9 in the case of a Founder Member Director, he ceases to be an elected member, officer or employee of the County Council, or the relevant District Council, or the Agency as the case may be, or

12 1 10 he is either disqualified or suspended as acting as a member of a Council (as the case may be) as a result of a misconduct finding by a case tribunal or the Council's standards committee under Part III of the Local Government Act 2000

13 PROCEEDINGS OF THE DIRECTORS

- 13 1 The board of Directors may meet together for the despatch of business, adjourn and, regulate their meetings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. Questions arising at any meeting shall be decided by a majority of votes and each Director shall have one vote. In case of an equality of votes, the Board Chair shall be entitled to a second or casting vote in addition to any other vote he may have.
- 13 2 No business shall be transacted at any board meeting unless a quorum is present. A quorum shall be two Directors present in person, until such time as there shall be a minimum of five Directors, and thereafter shall be five Directors present in person, provided that for so long as the Agency remains a member of the Company there shall be no quorum unless the Agency Director or his alternate is present in person, and for so long as the County Council remains both a member of the Company and the Accountable Body there shall be no quorum unless one County Council Director is present in person. Continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, they may act only for the purpose of filling vacancies, or of calling a general meeting.
- 13.3 If a quorum is not present within half an hour from the time appointed for a board meeting the board meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned board meeting a quorum is not present within half an hour from the time appointed the Director or Directors present in person, or, in the case of the Agency, present by an alternate Director, or (being a corporation) by duly authorised representative shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.
- 13 4 Meetings of the board of Directors and any committee or sub-committee thereof shall be summoned by not less than five Clear Days' notice served on the Directors, and in the case of any committee or sub-committee meetings on the members of such committee or sub-committee. Any such notice must include an agenda of the matters to be discussed at any such meeting and, unless the Directors present at the relevant meeting so decide, no matter may be discussed or voted on which is not included in any such agenda. A Director who is absent from the United Kingdom shall not be entitled to notice of a meeting.
- 13 5 Any Director (including, in the case of the Agency, an alternate Director) may participate in a meeting of the Directors or a committee of the Directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be

counted in a quorum accordingly Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Board Chair is

13 6 Subject to the provisions of the Act, and provided that he has disclosed to the Directors the nature and extent of any interest of his, a Director notwithstanding his office

13 6 1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested,

13 6 2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested,

13 6 3 may act or any firm or company of which he is a member or director may act in a professional capacity for the Company or any body corporate in which the Company is in any way interested, and

13 6 4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit,

13 7 For the purposes of Article 13 6

13 7 1 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified,

13 7 2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and

13 7 3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when the Company was incorporated) connected with a Director shall be treated as an interest of the Director, and, in relation to an alternate Director appointed by the Agency Director, an interest of the Agency Director shall be treated as an interest of his alternate, without prejudice to any interest which the alternate Director otherwise has

13 8 Whenever a Director has an interest in a matter to be discussed at a meeting of the board of Directors (or a committee of the board of Directors) the Director concerned shall

13 8 1 declare such interest at or before discussions begin on the matter, and

13 8 2 unless the board of Directors resolve otherwise,

- 13 8 2 1 withdraw from the meeting for that item,
 - 13 8 2 2 not be counted in the quorum for that part of the meeting;
 - 13 8 2 3 not be entitled to vote on the matter
- 13 9 The Agency shall appoint the Chairman of the board of Directors from time to time and may remove him from that office by notice in writing to the Company Unless he is unwilling to do so, the Board Chair so appointed shall preside at every meeting of the Directors at which he is present
- 13 10 A resolution in writing, signed by all the Directors entitled to receive notice of a meeting of the Directors, or of a committee or sub-committee of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors, or, such a committee or sub-committee, duly convened and held, and may consist of several documents in the like form each signed by one or more Directors or members of the committee or sub-committee as the case may be

14. SIGNIFICANT TRANSACTIONS

- 14 1 No resolution in relation to the matters referred to below shall be passed by the Company without the prior written consent of the Agency
- 14 1 1 The approval and adoption of the business plan of the Company from time to time setting out the objectives of the Company and including revenue and capital expenditure budgets, cash flow projections and such other item or items as the Agency may from time to time specify together with a summary of the assumptions on which they are based ("the Business Plan")
 - 14 1 2 Any extension of the Company's activities outside the scope of the Business Plan
 - 14 1 3 Any material amendments to the Business Plan
 - 14 1 4 The approval of any business plan of any subsidiary of the Company, (as defined in section 736 of the Companies Act 1985, as amended, "a Subsidiary") including revenue and capital expenditure budgets, cash flow projections and such other item or items as the Agency may from time to time specify together with a summary of the assumptions on which they are based (a "Subsidiary Business Plan") and the approval of any material amendments to any Subsidiary Business Plan
 - 14 1 5 The extension of the activities of any Subsidiary outside the scope of the relevant Subsidiary Business Plan
 - 14 1 6 The disposal of the whole or any part of the Company's business
 - 14 1 7 Entering into any agreement which is not in the ordinary course of the business of the Company and/or which is not on an arm's length basis
 - 14 1 8 Making any petition or resolution to wind-up the Company or any petition for an administration order or any order having similar effect in a different

jurisdiction in relation to the Company, unless the Company is at the relevant time insolvent and the Directors reasonably consider (taking into account their fiduciary duties) that it ought to be wound up or made the subject of an administration order as the case may be

- 14 1 9 Taking an interest in and/or becoming a member of any company, including forming any Subsidiary of the Company or acquiring any shares in any other company, whether through subscription or transfer, such that the company concerned becomes a Subsidiary of the Company
- 14 1 10 Altering any of the provisions of the Memorandum of Association and/or these Articles
- 14 1 11 The doing of anything which is contrary to the rules set out in sections 3 and 4 of the Agency's financial memorandum (as amended from time to time) including (but not limited to) rules on borrowing, lending and issuing guarantees and indemnities
- 14 1 12 Entering into any agreements to do any of the things referred to in the foregoing paragraphs of this Article 14

15 SECRETARY

Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, such remuneration and upon such conditions as they think fit, and any Secretary so appointed may be removed by them, provided always that no Director may hold office as Secretary where such office is remunerated

16 THE SEAL

If the Company has a Seal it shall be used only with the authority of the Directors or of a committee of the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined, every instrument to which the Seal is affixed shall be signed by one Director and by the Secretary or another Director

17 MINUTES

- 17 1 The Directors shall cause minutes to be made in books kept for the purposes of
 - 17 1 1 recording the names and addresses of all the members;
 - 17 1 2 all appointments of officers made by the Directors, and
 - 17 1 3 all proceedings at meetings of the Company and of the Directors and of committees, including the names of Directors and members present at each such meeting
- 17 2 The minutes referred to in this Article shall be signed by the General Meeting Chair in the case of meetings of the Company, or by the Board Chair in the case of meetings of the Directors, or by the Chairman of the meeting of any committee, if different, or, in the absence of any or all of the aforementioned individuals, by the Secretary, and shall be circulated to all Directors as soon as is reasonably practicable and in any event

within fifteen days of the date of the relevant meeting and shall be sufficient evidence without any further proof of the facts stated therein

18 NOTICES

18 1 A notice may be given by the Company to any member either personally or by sending it by post to the address of the member Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice, and to have been effected at the expiration of 48 hours after the letter containing the same is posted

18 2 The Company may give notice to a member by electronic means provided that

18 2 1 the member has given its consent in writing to receive a notice communicated by electronic means and in such consent has set out an address to which the notice shall be sent by electronic means,

18 2 2 the electronic means used by the Company enables the member to read the text of the notice

In this Article "electronic" means actuated by electronic, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy, and "by electronic means" means by any manner capable only of being so actuated

18 3 Where a notice is given to a member in the form permitted by Article 18 1 or 18 2 above, it shall be deemed to be given on the earlier of

18 3 1 the day on which it was despatched by electronic means, or

18 3 2 the day on which it was delivered personally, or

18 3 3 the day on which service is deemed to have been effected, where the letter containing the notice has been posted

19 WINDING UP

Clause 8 of the Memorandum of Association relating to the winding-up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles

20 INDEMNITY

20.1 Subject to the provisions of, and so far as may be permitted by the Act, but without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every Director, and, in the case of the Agency, an alternate Director, Secretary or other officer of the Company out of the assets of the Company, against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the lawful execution of his duties, powers or office or otherwise in relation thereto, including any liability which may attach to him or be incurred by him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him, as a Director, alternate Director, Secretary or other officer of the Company

- 20 2 The Directors shall have power to purchase and maintain insurance for any Director, and, in the case of the Agency, an alternate Director, Secretary or other officer of the Company or any associated company (as defined in the Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company, or such associated company, including anything done or omitted to be done or alleged to have been done or omitted to have been done by him as a Director, and, in the case of the Agency, done by him as an alternate Director, Secretary or other officer of the Company or any associated company
- 20 3 Subject to the provisions of, and so far as may be permitted by the Act, the Company shall be entitled to fund the expenditure of every Director, and, in the case of the Agency, an alternate Director, or other officer of the Company incurred or to be incurred
- 20 3 1 in defending any criminal or civil proceedings, or
- 20 3 2 in connection with any application under sections 144(3), 144(4) or 727 of the Act

NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS

NORTHWEST DEVELOPMENT AGENCY of
Renaissance House, P O Box 37, Centre Park,
Warrington, Cheshire, CA1 1XB

Signed by
a duly authorised signatory of
Northwest Development Agency

WITNESS to the above signature

Name.

Address

Occupation

Dated this day of 2006

CUMBRIA COUNTY COUNCIL of
The Courts, Carlisle, Cumbria, CA3 8NA

Signed by
a duly authorised signatory of
Cumbria County Council

WITNESS to the above signature

Name

Address

Occupation

Dated this day of 2006