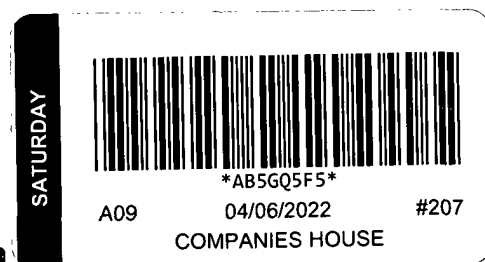


The Companies Acts 1985 and 1989

Company Limited by Guarantee and not Having a Share Capital

**Articles of Association
of
NDE Research Association**



Interpretation

1. In these Articles and the Memorandum the following terms shall have the following meanings:

Term	Meaning
1.1 “Act”	the Companies Act 1985 including any statutory modification or re-enactment for the time being in force
1.2 “address”	in relation to electronic communications includes any number or address used for the purpose of such communication
1.3 “Articles”	these Articles of Association of the Company
1.4 “Affiliate Member”	industrial companies or businesses, universities or other organisations which are not Company members for the purpose of the Act but which are involved in the Centre and are granted certain rights and undertake certain obligations in relation to the Company in accordance with Article 4
1.5 “Centre”	The UK Research Centre in Non-destructive Evaluation based at Imperial College, London and the University of Strathclyde
1.6 “Centre Management Board”	the group of authorised representatives of industrial companies or businesses, universities and other organisations which selects and monitors the research work of the Centre within a budget strategy and framework set by the directors.
1.7 “clear days”	in relation to the period of a notice, 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

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| 1.8 | “Company” | NDE Research Association |
| 1.9 | “Connected Organisation” | any company, firm or organisation with which a director or member is connected and ‘connected’ for this purpose means as partner, employee or shareholder |
| 1.10 | “electronic communication” | has the meaning ascribed to it in the Electronic Communications Act 2000 |
| 1.11 | “Executive Committee” | the board of directors of the Company |
| 1.12 | “Financial Expert” | an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000 |
| 1.13 | “Memorandum” | the Memorandum of Association of the Company |
| 1.14 | “NDE Research” | research conducted in the field of non-destructive evaluation the useful results of which are made publicly available |
| 1.15 | “Secretary” | the secretary of the Company |
| 1.16 | “director and directors” | the director and directors as defined in the Act |
2. In these Articles and the Memorandum:
- 2.1 Unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when the Articles become binding on the Company;
- 2.2 Subject to Article 2.1 any reference in these Articles or the Memorandum to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.

Members

3. The directors from time to time shall be the only members of the Company. A director shall become a member on becoming a director. A member shall cease to be a member if he or she ceases to be a director. Membership shall not be transferable and shall cease on death.

Affiliate Members

4. The directors may invite industrial companies or businesses, universities and other organisations, which are involved in the Centre, to be Affiliate Members of the Company with such rights and obligations (including without limitation the obligation

to pay a subscription) as they think fit and may admit and remove such Affiliate Members in accordance with such regulations as the directors shall make provided that no Affiliate Member shall be a member of the Company for the purposes of the Articles or the Act. The directors may establish different classes of Affiliate Members as they think fit.

Executive Committee

5. The Executive Committee shall comprise at least three and no more than nine directors, including:

5.1 As ex-officio directors:

- The Managing Director of the Company;
- The Deputy Director of the Company;
- The Chair of the Centre;
- The Director of the Centre;

5.2 Up to five individuals co-opted by resolution of the directors.

Appointment, retirement, removal and disqualification of directors

6. The subscribers to the Memorandum shall be the first directors. Subsequent directors shall be appointed in accordance with these Articles.

7. Every director shall notify the Company in writing of his or her consent to being a member and a director of the Company. Except in the case of a director who is a subscriber to the Memorandum, the term of office of a director taking office under Article 5.1 shall commence from the date of such notification.

8. Directors co-opted in accordance with Article 5.2 shall serve for two years but may be re-co-opted.

9. No person may be appointed as a director:

9.1 unless he or she has attained the age of 18 years; or

9.2 in circumstances such that, had he or she already been a director, he or she would have been disqualified from acting under the provisions of the Articles.

10. The office of a director shall be vacated if:

10.1 he or she ceases to be a director by virtue of any provision of the Act or he or she becomes prohibited by law from being a director;

10.2 he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally;

- 10.3 the directors reasonably believe he or she is suffering from mental disorder and incapable of acting and they resolve that he or she be removed from office;
- 10.4 he or she resigns by notice to the Company (but only if at least three directors will remain in office when the notice of resignation is to take effect);
- 10.5 he or she fails to attend three consecutive meetings of the directors and the directors resolve that he or she be removed for this reason;
- 10.6 at a meeting of the directors at which at least half of the directors are present, a resolution is passed that he or she be removed from office. Such a resolution shall not be passed unless the director has been given at least 14 clear days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify removal from office, and has been afforded a reasonable opportunity of being heard by or of making written representations to the directors;
- 10.7 in the case of directors appointed under Article 5.1 he or she ceases to hold the qualifying office or employment;
- 10.8 in the case of a director co-opted under Article 5.2 his or her term of office expires;
or
- 10.9 he or she ceases to be a member of the Company.

Powers of Directors

- 11. Subject to the Act, the Memorandum and the Articles, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles shall invalidate any prior act of the directors which would have been valid if that alteration had not been made.
- 12. The continuing directors or a sole continuing director may act despite any vacancies in their number but while there are fewer directors than required for a quorum the directors may only act for the purpose of increasing the number of directors.
- 13. All acts done by a person acting as a director shall, even if afterwards discovered that there was a defect in his or her appointment or that he or she was disqualified from holding office or had vacated office, be as valid as if such person had been duly appointed and was qualified and had continued to be a director.
- 14. Subject to the Articles the directors may regulate their proceedings as they think fit.

Chair

- 15. The directors may appoint one of their number to be the chair of the directors and may at any time remove him or her from that office.

Delegation of Directors' powers

- 16. The 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 they determine.

17. The Directors may delegate any of their powers or functions to any committee or the implementation of any of their resolutions and day to day management of the affairs of the Company to any person or committee in accordance with the conditions set out in these Articles.

Delegation to committees

18. In the case of delegation to committees:
- 18.1 the resolution making that delegation shall specify those who shall serve or be asked to serve on such committee (although the resolution may allow the committee to make co-options up to a specified number);
- 18.2 the composition of any such committee shall be entirely in the discretion of the directors and may comprise such of their number (if any) as the resolution may specify;
- 18.3 the deliberations of any such committee shall be reported regularly to the directors and any resolution passed or decision taken by any such committee shall be reported promptly to the directors and for that purpose every committee shall appoint a secretary;
- 18.4 all delegations under this Article shall be variable or revocable at any time;
- 18.5 the Directors may make such regulations and impose such terms and conditions and give such mandates to any such committee as they may from time to time think fit; and
- 18.6 no committee shall knowingly incur expenditure or liability on behalf of the Company except where authorised by the directors or in accordance with a budget which has been approved by the directors.
19. For the avoidance of doubt, the directors may delegate all financial matters to any committee and may empower such committee 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 director.
20. The meetings and proceedings of any committee shall be governed by the Articles regulating the meetings and proceedings of the directors so far as applicable and not superseded by any regulations made by the directors.

Directors' appointments and interests

- 21.1 Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit.

21.2 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office;

21.2.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

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

21.2.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment 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.

Meetings

Executive Committee

22. Two directors may (and the Secretary shall at the request of two directors) call a meeting of the Executive Committee.

Annual general meetings

23. Subject to the Act and to the passing of an elective resolution dispensing with the need to hold an annual general meeting, the Company shall hold an annual general meeting within 18 months of incorporation and afterwards once in every calendar year and not more than 15 months shall pass between one annual general meeting and the next.

Extraordinary general meetings

24. All general meetings other than annual general meetings shall be called extraordinary general meetings. Any two directors may (and the Secretary shall at the request of two directors) call an extraordinary general meeting at any time.

Length of notice

25. An annual general meeting and a general meeting called to pass a special or elective resolution shall be called by at least 21 clear days' notice and any other general meeting shall be called by at least 14 clear days' notice unless the Act requires a longer notice period. Such notice shall be given in accordance with Article 47.

26. A directors' meeting shall be called by at least seven clear days' notice unless urgent circumstances require shorter notice.

27. When a meeting is adjourned for 14 days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

28. A meeting may be called by shorter notice if it is so agreed by everyone entitled to attend and vote at it.

Contents of notice

29. Every notice calling a meeting shall specify the place, day and time of the meeting, whether it is a directors', extraordinary general or annual general meeting, and the general nature of the business to be transacted. If a special, extraordinary or elective resolution is to be proposed at a general meeting, the notice shall include the proposed resolution and specify that it is proposed as a special, extraordinary or elective resolution.

Service of notice

30. Notice of meetings shall be given to each director and in the case of annual general meetings and extraordinary general meetings notice shall also be given to the auditors of the Company.

Quorum

31. No business shall be transacted at any meeting unless a quorum is present. Three people present and entitled to vote shall be a quorum. If a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting those present and entitled to vote shall be a quorum.

Chair

32. The chair, if any, of the directors or in his or her absence another director nominated by the directors present shall preside as chair of each meeting.

Adjournment

33. The chair may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place.

Voting

34. Every person present and entitled to vote shall have one vote. A resolution put to the vote of a meeting shall be decided on a show of hands.
35. A declaration by the 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 shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

36. Except where otherwise required by the Act, questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chair shall be entitled to a casting vote in addition to any other vote he or she may have.

Irregularities

37. The proceedings at any meeting shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not specified in the notice unless such specification is a requirement of the Act.
38. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chair whose decision shall be final and binding.

Conflicts of interest

39. Whenever a person has a personal interest in a matter to be discussed at a meeting, and whenever a person has an interest in another organisation whose interests are reasonably likely to conflict with those of the Company in relation to a matter to be discussed at a meeting, he or she must:
- 39.1 declare an interest before discussion begins on the matter;
- 39.2 withdraw from that part of the meeting unless expressly invited to remain;
- 39.3 in the case of direct personal financial interests not be counted in the quorum for that part of the meeting, and unless a majority of the remaining directors resolve otherwise withdraw during the vote and have no vote on the matter.

Written resolutions

40. A resolution in writing shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:
- 40.1 in the case of a members' resolution the written resolution must be signed by all of the members who would have been entitled to vote upon the resolution if it had been proposed at the meeting;
- 40.2 in the case of a directors' resolution the written resolution must be signed by all of the directors;
- 40.3 a written resolution may consist of several instruments in like form each signed by one or more persons; and
- 40.4 the date of a written resolution shall be the date on which the last person signs.

Email approval of resolutions

41. A directors' resolution which is approved by email in accordance with this Article 41 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:
- 41.1 such a resolution must be approved by email by all of the directors;
 - 41.2 approval from each director must be received by such person as all the directors shall have nominated in advance for that purpose ("**the Recipient**"), which person may, for the avoidance of doubt, be one of the Directors;
 - 41.3 approval from a director must be sent from an email address previously notified in writing by that director to the Secretary as intended for use by that director for the purpose;
 - 41.4 following receipt of a response on any resolution from each of the directors, the Recipient shall circulate a further email to all of the directors confirming whether the resolution has been formally approved by the directors in accordance with the terms of this Article 41;
 - 41.5 the date of a resolution shall be the date of the email from the Recipient confirming formal approval.

Virtual meetings

42. A meeting may be held by telephone or by televisual or other electronic or virtual means agreed by resolution of the directors in which all participants may communicate simultaneously with all other participants.

43. Regulations

- 43.1 The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the Company;
- 43.2 The rules or bye laws may regulate the following matters but are not restricted to them:
 - 43.2.1 The admission of Affiliate Members of the Company and their rights, privileges and obligations including entrance fees, subscriptions and other fees;
 - 43.2.2 The composition, admission to, procedures and general terms of reference of the Centre Management Board.

General

Secretary

44. The Secretary shall be appointed by the directors for such term at such remuneration and upon such conditions as they may think fit, and may be removed by them.

Minutes

- 45. The directors shall cause minutes to be made in books kept for the purpose:
 - 45.1 of all appointments of officers made by the directors;
 - 45.2 of all resolutions of the Company and of the directors; and
 - 45.3 of all proceedings at meetings of the Company and of the directors, and of committees of directors, including the names of the directors present at each such meeting;

and any such minute, if purported to be signed by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any member or director of the Company, be sufficient evidence of the proceedings.

Records and accounts

- 46. The directors shall comply with the requirements of the Act as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies of:
 - 46.1 annual reports;
 - 46.2 annual returns;
 - 46.3 annual statements of account.

Notices

- 47. Subject to Article 41.3 and Article 42, any notice to be given to or by any person pursuant to the Articles shall be 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. A notice calling a meeting of the directors need not be in writing.
- 48. The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his or her registered address or by leaving it at that address or by electronic communication to an address provided for that purpose or posted on a website where the recipient has been notified of such posting in a manner agreed by him or her.
- 49. A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.
- 50. Proof that an envelope containing a notice was properly addressed, prepaid and posted or proof that an electronic communication has been transmitted to the proper address shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or in the case of a notice contained in an electronic communication at the expiration of 48 hours after the time it was transmitted.

Indemnity

51. Without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer of the Company shall be indemnified out of the assets of the Company against all costs charges expenses or liabilities incurred by him or her in or in relation to the proper execution and discharge of his or her duties, to the extent permitted by law:

Trustees' indemnity insurance

52. The directors shall have power to resolve pursuant to clause 4.27 of the Memorandum to effect trustees' indemnity insurance, despite their interest in such policy.

Winding-up

53. The provisions of clauses 7 and 8 of the Memorandum relating to the winding-up or dissolution of the Company shall have effect and be observed as if the same were repeated in the Articles.