

Company number: 06290126

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

BRITISH COPYRIGHT COUNCIL

as amended by special resolution dated 20 May 2009

1. Interpretation

In these articles:

"**Act**" means the Companies Act 1985;

"**articles**" means these articles of association of the company;

"**clear days**" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

"**electronic communication**" has the same meaning as in the Electronic Communications Act 2000;

"**executed**" includes any mode of execution;

"**Insolvency Event**" in relation to a person means any of the following events:

- (a) that person ceasing or threatening to cease to carry on business or being deemed to be unable to pay its debts within the meaning of any of paragraphs (a) to (e) of section 123(1) or section 123(2) Insolvency Act 1986 or admitting that it is unable to pay its debts as they fall due;
- (b) that person giving notice to any of its creditors that it has suspended or is about to suspend payment of any of its debts or commencing negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness by reason of financial difficulties;
- (c) a meeting of that person's creditors being convened or held;
- (d) an arrangement or composition with or for the benefit of its creditors (including a voluntary arrangement as defined in the Insolvency Act 1986) being entered into or proposed by or in relation to that person;

- (e) a moratorium coming into force in respect of that person in accordance with paragraph 8.1 of Schedule A1 to the Insolvency Act 1986 or that person applying to the court for an interim order under section 253 of the Insolvency Act 1986;
- (f) a receiver or administrative receiver taking possession of or being appointed over or a mortgagee, chargee or other encumbrancer taking possession of the whole or any material part of the assets of that person;
- (g) any distress, execution or other process being levied or enforced (and not being discharged within seven days) on of the whole or any material part of the assets of that person;
- (h) that person or its directors or the holder of a qualifying floating charge (as defined in Schedule B1 to the Insolvency Act 1986) giving notice of his, their or its intention to appoint an administrator in accordance with paragraphs 18 or 26 of Schedule B1 to the Insolvency Act 1986;
- (i) that person or its directors or any of its creditors or the holder of a qualifying floating charge (as defined in Schedule B1 to the Insolvency Act 1986) making an application to the court for the appointment of an administrator;
- (j) an administrator being appointed of that person under paragraphs 14 or 22 of Schedule B1 to the Insolvency Act 1986 or otherwise;
- (k) a petition being advertised or a resolution being passed or an order being made for the administration or the winding-up, bankruptcy or dissolution of that person or that person being struck off the register of companies; or
- (l) the happening in relation to that person of an event analogous to any of the above in any jurisdiction in which it is incorporated or resident or in which it carries on business or has assets;

"Office" means the registered office of the company;

"organisation" includes persons;

"Seal" means the common seal of the company;

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

"United Kingdom" means Great Britain and Northern Ireland;

reference to the singular includes a reference to the plural and vice versa;

references to persons include all forms of legal entity and include an individual, company, body corporate (whether incorporated or established or carrying on business), unincorporated associations and partnerships;

reference to any gender includes a reference to all other genders;

headings used in these articles are for ease of reference only and shall not form any part of these articles for the purposes of construction;

reference to any statute or statutory provision includes a reference:

- (a) to that statute or statutory provision as from time to time consolidated, modified, re-enacted (with or without modification) or replaced by any statute or statutory provision;
- (b) to any repealed statute or statutory provision which it re-enacts with or without modification; and
- (c) any subordinate legislation made under the relevant statute;

words and expressions defined in the Act shall have the same meanings in these articles unless the context otherwise requires; and

any reference to presence at a general meeting shall include presence of a member by a duly authorised representative and shall include presence which is deemed in accordance with these articles (and "presence" shall be construed accordingly).

2. Members

2.1 The company shall have no more than fifty members from time to time unless otherwise agreed by a majority of three quarters of the members present and entitled to vote at a general meeting.

2.2 The members of the company shall be:

- (a) the eligible organisations whose representatives have subscribed to the memorandum of association of the company;
- (b) such other eligible organisations as the members shall admit to membership in accordance with these articles.

2.3 In order to be eligible to be elected as a member of the company a prospective member must be an organisation representing either:

- (a) a substantial number of persons falling into any one or more of the categories set out below and representing the interests of those persons; or
- (b) the rights granted by United Kingdom copyright legislation to a substantial number of persons falling into any one or more of the categories set out below;

(including in both paragraphs (a) and (b) the heirs and successors of those persons):
 - (i) authors of original literary, dramatic, musical and artistic works;
 - (ii) producers of sound recordings and persons having exclusive recording contracts or having recording rights;
 - (iii) producers or principal directors of films;
 - (iv) broadcasters;
 - (v) publishers;
 - (vi) performers;
 - (vii) designers of original unregistered designs and semiconductor topographics;

- (viii) makers of databases; and
 - (ix) agents, administrators or managers of rights or interests of persons in any of the categories in paragraphs 2.3(b) (i) to (viii).
- 2.4 (a) Any organisation which considers itself eligible for membership may apply to the company for admission. Such application shall be made in writing and shall be in such form as the members shall from time to time prescribe, and shall be accompanied by the subscription prescribed in accordance with article 3.1 which shall be repaid to the applicant if the application is not accepted. The members may require an applicant to supply evidence of eligibility as the members consider to be reasonably necessary. An application for membership shall be considered by the members at the next general meeting of the company following receipt of the application.
- (b) Any organisation which, in the opinion of the members, is eligible may be admitted to membership but the members shall have full unrestricted power to refuse an application without assigning any reason for such refusal.
- 2.5 On appointment the name and address of each member shall be entered in the register of members to be kept at the Office and the company shall observe the provisions of sections 352 and 353 of the Act relating to the company's register of members.
- 2.6 The rights of a member shall not be transferable.
- 2.7 Any person ceasing for any reason to be a member of the company shall not, nor shall his representatives, have any claim upon or interest in the funds of the company (including without limitation any capital contribution made by him to the company) and shall remain liable to pay any sums due from him at the date of such cessation. A member shall be liable for the full subscription in respect of the financial year of the company in which the member ceases to be a member unless the members agree otherwise provided that where a member gives notice under paragraph (a) of article 2.8 within one month of the members deciding to increase the subscription of that member, the member shall be liable to pay only a pro rata share calculated on a time basis for the period in which the member remains a member during the financial year of the company to which the increased subscription applies.
- 2.8 The membership of a member shall terminate:
 - (a) if the member gives not less than one month's written notice to the company, in which case the membership shall terminate upon expiration of the notice; or
 - (b) if the member ceases to exist by reason of it being dissolved, wound up, going into liquidation, or for any other reason.
- 2.9 Subject to article 2.10, the members may without assigning any reason resolve at a meeting of the members by a majority of three quarters of the members present and voting that a member be suspended as a member or be expelled if:
 - (a) his subscription is in arrears for longer than three months;
 - (b) an Insolvency Event occurs in relation to him;
 - (c) he is convicted of an indictable offence;
 - (d) he has been, in the opinion of the members, guilty of any act, omission or conduct which may bring discredit on the company or is likely to be detrimental

or prejudicial to the reputation or interests of the company or to its aims and objects; or

- (e) if, in the opinion of the members, the member has ceased to be eligible for membership in accordance with article 2.3.

Any member who is suspended may not, whilst suspended, attend or vote at meetings of the members, unless the members agree otherwise.

- 2.10 Before passing any such resolution as is mentioned in article 2.9, the members shall afford the member in question (and any third party acting on behalf of such member) a reasonable opportunity to attend and give evidence at the meeting. The members shall notify the member of the result of the resolution put to the meeting within seven days of it being passed.
- 2.11 A member shall cease to be a member and his name shall be removed from the register of members if he is expelled from membership by a resolution of the members acting under the powers conferred on them by article 2.9.
- 2.12 A member whose name has been removed from the register of members by reason of the non-payment of his subscription may have his name re-entered in it on payment of the subscription within one month of the removal of his name.

3. Subscriptions and capital contributions

- 3.1 The members shall from time to time decide the amount of any subscriptions to be paid by the members and dates on which such subscriptions shall be paid. The amount of all subscriptions for any financial year of the company shall be decided at least three months prior to the end of the previous financial year of the company unless the members agree otherwise.
- 3.2 The members may differentiate and vary the subscriptions payable by members and may for this purpose divide the membership of the company into different subscription classes.
- 3.3 On an application for membership being made, the members shall decide the membership class of the prospective member and the amount of subscription payable by the prospective member for the remaining part of the subscription period.
- 3.4 The members may reduce any subscription or may remit payment of it and any arrears in circumstances where they consider it desirable.
- 3.5 The members may invite the members to make contributions of capital to the company. Any such invitation need not be made to all classes of members but if made to a member of a particular class, shall be extended to all members of that class and shall give to each member of that class an equal right to contribute.
- 3.6 The company shall procure that the capital contributions made by each member and their membership class are recorded against his name in the register of members and such record shall be deemed for all the purposes of the Act to form part of the register of members.

4. General meetings

- 4.1 The company shall hold a general meeting in every calendar year as its annual general meeting at such time and place as may be decided by the directors and shall specify

the meeting as such in the notice calling it, provided that every annual general meeting except the first shall be held not more than fifteen months after the holding of the preceding annual general meeting, and that so long as the company holds its first annual general meeting within eighteen months after its incorporation it need not hold it in the year of its incorporation or in the following year.

- 4.2 All general meetings, other than annual general meetings, shall be called extraordinary general meetings.
- 4.3 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the company may call a general meeting.
- 4.4 All matters to be decided by the members in accordance with these articles shall be decided in a general meeting by a simple majority unless the Act requires otherwise or unless these articles provide otherwise.

5. Notice of general meetings

- 5.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director 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:
 - (a) in the case of an annual general meeting, by all the members entitled to attend and vote at it; and
 - (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent. of the total voting rights at the meeting of all the members.
- 5.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
- 5.3 Notice of a general meeting need not include details of any resolutions to be proposed at that meeting save in the case of special or extraordinary resolutions or any resolution specifically required by the Act to be proposed as an ordinary resolution.
- 5.4 Subject to the provisions of the articles the notice shall be given to all the members, and to the directors and auditors.
- 5.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

6. Proceedings at general meetings

- 6.1 No business shall be transacted at any general meeting unless a quorum is present. Except as otherwise provided below, ten members of the company personally present and entitled to vote shall be a quorum except that where there are fewer members than thirty but more members than four, the quorum for any general meeting shall be the

number nearest one third of all the members and where there are fewer members than five, the quorum for any general meeting shall be all the members.

- 6.2 If a quorum is not present within half an hour from the time appointed for the meeting, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such other time and place as the directors may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present in person or by proxy shall be a quorum.
- 6.3 The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor any such other director is present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
- 6.4 If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 6.5 The chairman may, with the consent of a meeting at which a quorum is present, (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place but no business shall be transacted at an adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, notice of the adjourned meeting shall be given in the same manner as for the original meeting. Otherwise it shall not be necessary to give any such notice.
- 6.6 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- (a) by the chairman; or
 - (b) by two or more members having the right to vote at the meeting; or
 - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting,
- and demand by a person as representative or proxy for a member shall be the same as a demand by the member.
- 6.7 Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 6.8 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 6.9 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 6.10 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman (even if he is not a member of the company) shall be entitled to a casting vote in addition to any other vote he may have.
- 6.11 A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 6.12 No notice need be given of a poll 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.
- 6.13 If at any general meeting any votes shall be counted which ought not to have been counted, or shall not be counted which ought to have been counted, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, and not in that case unless it shall, in the opinion of the chairman of the meeting, be of sufficient magnitude to affect the result of the voting.
- 6.14 Any member or member's proxy or duly authorised representative (being a corporation) may participate in a general meeting or a meeting of a class of members of the company by means of any communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person (or by proxy or 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 number of participators is assembled or if no such group can be identified at the location of the chairman.
- 6.15 (a) A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several documents each executed by or on behalf of one or more members.
- (b) Where the company and any member have so agreed, the confirmation to the company by such member of his assent to any resolution by means of an electronic communication shall be deemed to constitute a duly executed document for the purposes of article 6.15(a). Any such electronic communication shall be sent to the address notified by the company for this purpose.

7. Votes of members

- 7.1 (a) Subject to this article, every member shall be entitled to attend general meetings of the company and vote thereat, by a representative.
- (b) Every member shall notify the Secretary in writing no fewer than twenty four hours before a general meeting of the name of:
- (i) its representative who will attend the meeting; and

- (ii) its alternative representative if the representative is unable to attend;
 - (iii) the observer who, pursuant to paragraph (c) of this article, may accompany the representative at the meeting.
- (c) The representative of a member who attends a general meeting of the company may be accompanied by not more than one observer nominated in writing by the member and approved by the chairman.

7.2 Every member shall have one vote, as well as on a poll as on a show of hands. No member shall be entitled to vote on a show of hands or a poll unless that member or its representative is present in person or by proxy.

7.3 If at any general meeting of the company there is any dispute as to any member's voting rights, the decision of the chairman shall be final.

7.4 No member who has not paid all sums due to the company in respect of his membership, shall be entitled to vote at any general meeting either personally or by proxy or as a proxy or representative for another member.

7.5 No objection shall be raised to the qualification of any member to vote except at the meeting or adjourned meeting at which the vote is tendered and every vote not disallowed at the meeting shall be valid. Any objection raised at a meeting shall be referred to the chairman whose decision shall be final.

7.6 On a poll votes may be given either personally (including by representative) or by proxy. A member may appoint more than one proxy to attend on the same occasion.

7.7 The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near to it as circumstances allow or in any other form which is usual or which the directors may approve):

"British Copyright Council

I/We, _____, of _____, being a member/members of the above-named company, hereby appoint _____ of _____, or failing him, _____, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company to be held on 200●, and at any adjournment of that meeting.

Signed on _____ 200●."

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

"British Copyright Council

I/We, _____, of _____, being a member/members of the above-named company, hereby appoint _____ of _____, or failing him, _____, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company to be held on 200●, and at any adjournment of that meeting.

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

Resolution No 1 *for *against

Resolution No 2 *for *against.

*Strike out whichever is not desired.

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

Signed this day of 200•."

7.9 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified by the person giving it or in some other way approved by the directors may:

- (a) in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:
 - (i) in the notice convening the meeting; or
 - (ii) in any instrument of proxy sent out by the company in relation to the meeting; or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting,

be received at such address no fewer than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

- (c) in the case of a poll taken more than forty-eight hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (d) where the poll is not taken forthwith but is taken not more than forty-eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director,

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

7.10 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received

before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

In this article and in article 7.9, "address", in relation to electronic communications, includes any number or address used for the purpose of such communications.

8. Directors

8.1 The number of directors shall consist of not more than nine directors of whom:

- (a) one director shall be elected from candidates nominated by members who represent those involved in the creation or performance of literary or dramatic works;
- (b) one director shall be elected from candidates nominated by members who represent those involved in the creation or performance of musical works;
- (c) one director shall be elected from candidates nominated by members who represent those involved in the creation or performance of artistic works;
- (d) one director shall be elected from candidates nominated by members who are not entitled to nominate a director under paragraph (a), (b) or (c) of this article 8.1;
- (e) one director shall be elected from candidates nominated by members to serve as treasurer of the company;
- (f) one director shall be elected from candidates nominated by members to serve as chairman of the board of directors of the company;
- (g) one director shall be elected from candidates nominated by any members; and
- (h) one further director shall be elected from candidates nominated by any members.

8.2 No person shall be elected a director unless he has been nominated in writing by a member as a candidate for election and unless (save in the case of the chairman) he is a representative of a member provided that a director to whom paragraph (f) of article 8.1 applies shall not be a member or a representative of a member. A retiring director offering himself for re-election shall not be required to be nominated as a candidate.

8.3 The directors to be elected pursuant to article 8.1 or re-elected pursuant to articles 8.4 or 8.5 shall be elected by ordinary resolution of the members.

8.4 The members may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a casual vacancy or as an additional director. A director so appointed shall hold office only until the next annual general meeting at which meeting he shall, if offering himself for re-election, be deemed to have been re-elected unless:

- (a) it is expressly resolved at such meeting not to fill such vacated office; or
- (b) a resolution for his re-election has been put to the meeting and lost.

8.5 (a) At the second annual general meeting of the company and thereafter at every third subsequent annual general meeting of the company the directors elected

under paragraphs (a) and (f) of article 8.1 shall retire, but shall be eligible for re-election.

- (b) At the third annual general meeting of the company and thereafter at every third subsequent annual general meeting of the company the directors elected under paragraphs (b) and (e) of article 8.1 shall retire, but shall be eligible for re-election.
- (c) At the fourth annual general meeting of the company and thereafter at every third subsequent annual general meeting of the company the directors elected under paragraphs (c) and (d) of article 8.1 shall retire, but shall be eligible for re-election.
- (d) At the fifth annual general meeting of the company and thereafter at every third subsequent annual general meeting of the company the director elected under paragraph (g) of article 8.1 shall retire, but shall be eligible for re-election.
- (e) At the sixth annual general meeting of the company and thereafter at every third subsequent annual general meeting of the company the director elected under paragraph (h) of article 8.1 shall retire, but shall be eligible for re-election.
- (f) At every annual general meeting of the company, any director re-elected pursuant to article 8.4 shall retire, but shall be eligible for re-election. Any such director offering himself for re-election shall be deemed to have been re-elected unless:
 - (i) it is expressly resolved at such meeting not to fill such vacated office; or
 - (ii) a resolution for his re-election has been put to the meeting and lost.

8.6 If a director (other than the chairman) ceases to be a representative of a member he shall retire and cease to be a director and another person shall be elected in his place under the same article as the retiring director was appointed and for the remainder of the term which the retiring director would have served if he had not retired provided that it shall not be necessary (but shall be permissible) to elect a person in place of a director appointed pursuant to article 8.4.

9. Powers of directors

9.1 Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

9.2 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, including authority for the agent to delegate all or any of his powers.

10. Delegation of directors' powers

The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

11. Vacation of office by directors

The office of director shall be vacated by a director if:

- (a) save in the case of the chairman, he ceases to be a representative of a member;
- (b) an Insolvency Event occurs in relation to him;
- (c) he becomes prohibited by law from being a director;
- (d) in the reasonable opinion of all his co-directors he becomes incapable by reason of mental disorder of discharging his duties as a director;
- (e) he resigns his office by written notice to the company; or
- (f) he dies.

12. Remuneration of directors

The directors shall not be entitled to any remuneration.

13. Directors' expenses

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

14. Directors' appointments and interests

14.1 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:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise interested;
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the company or in which the company is otherwise interested; and

- (c) 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.

14.2 For the purposes of article 14.1:

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of 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; and
- (b) 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.

15. Proceedings of directors

- 15.1 A director may, and the secretary at the request of a director shall, call a meeting of the directors. Notice of every meeting of the directors shall in so far as reasonably practicable be given orally (or in writing) to every director (whether or not within the United Kingdom), but the accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any director shall not invalidate the proceedings at that meeting.
- 15.2 Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.
- 15.3 The quorum for the transaction of the business of the directors may be fixed at three or more by the directors and unless so fixed at any other number shall be three. Where there are fewer than three directors, the quorum for any meeting of directors or committee of directors shall be all the directors but those directors shall only exercise the powers and discretions referred to in article 15.4.
- 15.4 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
- 15.5 The director appointed under paragraph (f) of article 8.1 shall be the chairman of the board of directors. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. If there is no director holding the office of chairman, or if the director holding it is unwilling to preside or is not present within fifteen minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
- 15.6 All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

- 15.7 (a) A resolution in writing executed by or on behalf of all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as effectual as if it had been passed at a meeting of the directors or, as the case may be, a committee of directors duly convened and held and may consist of several documents each executed by or on behalf of one or more directors.
- (b) Where the company and any director have so agreed, the confirmation to the company by such director of his assent to any resolution by means of an electronic communication shall be deemed to constitute a duly executed document for the purposes of article 15.7(a). Any such electronic communication shall be sent to the address notified by the company for this purpose.
- 15.8 Any director may participate in a meeting of directors by means of any communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person 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 number of participators is assembled or if no such group can be identified at the location of the chairman.
- 15.9 Provided that he has disclosed to the directors any material interest and except as provided in clause 6 of the memorandum of association of the company, a director shall be entitled to vote at a meeting of directors or of a committee of the directors in respect of such contract or proposed contract in which he is interested and shall also be counted in reckoning whether a quorum is present at such a meeting.

16. Secretary

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

17. President of Honour and Vice Presidents

- 17.1 The members may appoint any person nominated by four or more members to serve as a President of Honour or a Vice President. Any person so appointed shall not (unless so appointed) be a director but shall be entitled to attend and speak at all meetings of the directors and the members, but not to vote at any such meeting, unless voting at a general meeting as a representative of a member as provided in these articles or unless voting as a director at a meeting of directors whilst also serving as a director appointed in accordance with these articles. The members may appoint more than one President of Honour and more than one Vice President to serve at the same time.
- 17.2 Any person appointed as a President of Honour or a Vice President may resign at any time by giving notice in writing to the company and his appointment shall cease on service of such notice.
- 17.3 The company may at any time serve notice on any person appointed as a President of Honour or a Vice President terminating his appointment and his appointment shall cease on service of such notice.
- 17.4 The offices of President of Honour and Vice President shall be honorary and unpaid.

18. Minutes

The directors shall cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the directors; and
- (b) of all proceedings at meetings of the company, of any class of members, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

19. The Seal

The Seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the Secretary or by a second director.

20. Accounts

No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or authorised by the directors or by ordinary resolution of the company.

21. Notices

21.1 Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be in writing and may:

- (a) be delivered or sent by first class post (airmail if overseas):
 - in the case of a member or his legal personal representative or trustee in bankruptcy: to such member's address as shown in the company's register of members or the address notified to the company for that purpose;
 - in the case of a director: to his last known address or the address last notified to the company for that purpose; and
 - in the case of the company: to the Office,

or

- (b) where a fax number or an address for email or other form of electronic communication has been notified to or by the company for that purpose, be sent by the relevant form of electronic communication to that address.

21.2 Any such notice shall be deemed to have been served and be effective:

- (a) if delivered, at the time of delivery; and
- (b) if posted or sent by fax, email or any other form of electronic communication on receipt or forty-eight hours after the time it was sent, whichever occurs first.

- 21.3 A member present, either in person or by proxy, at any meeting of the company or of class of members shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 21.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of forty-eight hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of forty-eight hours after the time it was sent.

22. Dissolution and winding up

If the company is wound up or dissolved and after all of its debts and liabilities have been satisfied there remains any property it shall not be paid to or distributed among the members of the company but shall be given or transferred either to another body with objects similar to the objects set out in the company's memorandum of association or to another body the objects of which are the promotion of charity and anything incidental or conducive to the promotion of charity (whether or not the body is a member of the company).

23. Indemnity

Subject to the provisions of and to the extent permitted by the Act, every director or other officer (excluding the auditors) of the company shall be entitled to be indemnified out of the assets of the company against all liabilities which he may incur in the performance or purported performance of his duties or the exercise, or the purported exercise, of his powers, or otherwise in connection with such actual or purported performance or exercise.