

THE COMPANIES ACTS 1985 AND 1989
COMPANY LIMITED BY GUARANTEE (AND
NOT HAVING A SHARE CAPITAL)

ARTICLES OF ASSOCIATION
OF
ENGLISH TOURING THEATRE LIMITED
INTERPRETATION

1. In these Articles

- “the Act” means the Companies Act 1985 including any statutory modifications or re-enactments thereof for the time being in force.
- “the seal” means the common seal of the Company
- “Secretary” means any person appointed to perform the duties of the Secretary of the Company.
- “the Auditors” means the auditor to the Company for the time being.
- “the United Kingdom” means Great Britain and Northern Ireland.

Expressions referring to writing, shall unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a permanent visible form.

Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these Articles become binding on the Company.

MEMBERS

2. The Company is established for the purposes expressed in the Memorandum of Association
3. The number of members with which the Company proposes to be registered is (eleven) but the Directors may from time to time by resolution register an increase in Members.
4. (a) The subscribers to the Memorandum of Association and such other persons as the Directors shall from time to time admit to membership shall be Members of the Company.

(b) The rights and privileges of a Member shall not be transferable.
5. A member shall cease to be a Member of the Company:
 - (a) upon giving notice in writing to the Company that he resigns his membership;
 - (b) upon the Directors by a resolution passed by a majority of not less than two-thirds of the Directors present at a special meeting of the Directors (and at which the member in question has been given reasonable notice and a reasonable opportunity of being heard in his own defence) giving him notice requiring him to resign his membership;
 - (c) (if an individual) upon his dying, becoming of unsound mind, having a receiving order made against him or making an arrangement or compounding with his creditors generally;
 - (d) (if a corporation) upon its having a winding up resolution passed or winding up petition presented or a receiver being appointed of any of its assets.

REGISTERS

6. The Directors shall cause the following registers to be kept at the Registered Office of the Company:
 - (a) a Register of members;
 - (b) a Register of the interests of the Directors in debentures of the Company or its associated Companies
7. The Director shall cause such Registers as are kept under the provisions of Article 6 hereof to be completed and made available for inspection in accordance with the provisions of the Act and in particular, but without prejudice to the foregoing, to Sections 325 and 352 of the Act.

GENERAL MEETINGS

8. 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 and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that the next provided that so long as the Company holds its first Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.
9. All General Meetings other than Annual General meetings shall be called Extraordinary General Meetings.
10. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General meetings, shall also be convened on such requisition, or, in default, may be convened by such requisitionists as provided by Section 368 of the Act. 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 the meetings may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

11. An Annual General Meeting and a meeting called for the passing of a Special Resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Company other than an Annual General Meeting or a meeting for the passing of a Special Resolution shall be called by fourteen days' notice in writing at least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day which it is given, and shall specify the place, the day and the hour of the meeting

and, in the case of special business, the general nature of that business and shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in General Meeting, to such persons as are, under the Articles of the Company, entitled to receive such notice from the Company; provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article, be deemed to have been duly called if it is so agreed:

- (a) in the case of a meeting called as the Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together representing not less than ninety-five percent of the total voting rights at that meeting of all the Members.

12. 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 the meeting.

PROCEEDINGS AT GENERAL MEETINGS

13. 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 accounts, balance sheets, and the report of the Directors and Auditors, the election of Directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the Auditors.

14. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business; three Members present in person or by proxy or one tenth of the membership whichever shall be the greater shall be the quorum.

15. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of 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 at such other time and place as the Directors may determine.

16. The Chair, if any, of the Board of Directors shall preside as Chair at every General Meeting of the Company, or if there is no such Chair, or if the Chair shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present shall elect one of their number to be Chair of the meeting.

17. If at any meeting no Director is willing to act as Chair or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their number to be the Chair of the meeting.

18. The 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 left unfinished at the meeting for which the adjournment took place.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

19. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded (a) by the Chair or (b) by at least two Members present in person or by proxy or (c) by any Member or Members present in person or by proxy and representing not less than one tenth of the total voting rights of all the Members having the right to vote at the meeting. Unless a poll be so demanded a declaration by the Chair that a resolution has on a show of hands carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.

20. Except as provided in Article 22 if a poll is duly demanded it shall be taken in such manner as the Chair directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

21. In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote.

22. A poll demanded on the election for the Chair, or on a question of adjournment, shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the Chair of the meeting directs, and any other business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
23. Subject to the provision of the Act a resolution in writing signed by all the Members for the time being entitled to receive notice of and to attend and vote at General meetings (or being corporations by their duly authorised representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held and any such resolution in writing may consist of several documents in the like form each signed by one or more of such Members.
24. If at any General Meeting any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the vote unless it be pointed out at the same meeting, and in that case unless it shall, in the opinion of the Chair of the Meeting, be of sufficient magnitude to vitiate the result of the voting.

VOTES OF MEMBERS

25. Every Member shall have one vote.
26. No Members shall be entitled to vote at any General meeting if either:
 - (a) all moneys presently payable by him to the Company have not been paid; or
 - (b) if such vote is upon a resolution whereby he is likely to receive a benefit under Clause 4 of the Memorandum of Association of the Company.
27. On a poll votes may be given either personally or by proxy.
28. The instrument appointing a proxy shall be in writing under the hand of the appointed or of his attorney authorised in writing, or if the appointed is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A Proxy need not be a Member of the Company.
29. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of authority shall be deposited at the registered office of the Company or at such other place within the United Kingdom as is specified for that purpose in the notice convening 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, in the case of a poll, not less than twenty-four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
30. An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit:

“I/We _____, being
 of _____, being
 a Member/Members of the above-named Company, hereby appointed

 of _____
 or failing him _____
 of _____ as my/our
 proxy to vote for me/us on my/our behalf at the (Annual or Extraordinary as the case may be) General
 meeting of the Company to held on the _____ day of _____, 20____ and at any adjournment thereof.
 Signed this _____ day of _____ 20____.”
31. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

32. Any corporation which is a member of the Company may by resolution of its Directors or other governing body authorise such persons as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.

DIRECTORS

33. The Number of Directors shall be not less than seven nor unless otherwise determined by a General Meeting more than fifteen. The subscribers to the Memorandum of Association shall be the first Directors of the Company.
34. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with these Articles. Any Director so appointed shall hold office only until the next following Annual General Meeting, and shall then be eligible for re-election, but shall be not taken into account by rotation at such a meeting.
35. No person who is not a Member of the Company shall be entitled to hold office as a Director.

BORROWING POWERS

36. The 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, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company.

POWERS AND DUTIES OF THE DIRECTORS

37. The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Act or by these Articles, required to be exercised by the Company in a General Meeting, subject nevertheless to the provisions of the Act or these Articles and to such regulations, being not inconsistent with the aforesaid provisions as may be prescribed by the Company in General Meeting but no regulations made by the company in General Meeting shall invalidate any proper act of the Directors which would have been valid if that regulation had not been made. In particular, the Directors shall have power to make rules and bye-laws for regulating the use by Members and others of any property of the Company.
38. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company shall be signed, drawn accepted endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine.
39. The Directors shall cause minutes to be made of all appointments of officers made by them, of the names of the Directors present at each meeting of the Directors and of any committee of the Directors and all resolutions and proceedings at all meetings of the Company, and of the Directors, and of committees of Directors and any such minutes if signed by the Chair of the next succeeding meeting shall be sufficient evidence without any further proof of the facts therein stated.
40. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is not reduced below the number prescribed by these Articles as the necessary quorum of Directors, the continuing Director or Directors may only act to admit persons to membership of the Company, to appoint additional Directors or to summon a General Meeting.

DISQUALIFICATION OF DIRECTORS

41. The office of Director shall be vacated if the Director:
 - (a) has a receiving order made against him or makes an arrangement or composition with his creditors generally; or
 - (b) ceases to be a Director by virtue of any provision of the Act or becomes prohibited by law from being a director; or
 - (c) becomes incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs; or
 - (d) resigns his office by notice in writing to the Company; or
 - (e) is removed from office by a resolution duly passed pursuant to Sections 303 and 304 of The Act; or
 - (f) ceases to be a member of the Company.

ROTATION OF DIRECTORS

42. (a) At the first Annual General Meeting of the Company all the Directors shall retire from office, and at the Annual General Meeting in every subsequent year one-third of the Directors for the time being, or if their number is not three, then a number nearest to one third shall retire from office.

(b) The Directors to retire in every year shall be those who have been longest in Office since their last election, but as between the persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

(c) A retiring Director shall be eligible for re-election, provided:

- i. in the case of a Director who, at the time of retirement, holds office as Chair and has held such office for a consecutive period of less than three years, that s/he has been a Director for a consecutive period of not more than twelve years; and
- ii. in all other cases, that s/he has been a Director for a consecutive period of not more than nine years.

A Director not eligible for re-election shall nonetheless be eligible for election at or at any meeting after the Annual General Meeting next following his/her retirement and, if so elected, shall for the purposes of this Article thereafter be regarded as having been then first elected.

(d) The Company at the meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a person thereto, and in default the retiring Director, shall, in offering himself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such a vacated office or unless a resolution for the re-election of such a Director shall have been put to the meeting and lost.

(e) No person other than a Director retiring at the meeting shall unless recommended by the Directors be eligible for election to the office of Director at any General Meeting unless, not less than three or more than twenty-one days before the date appointed for the meeting, there shall have been left at the registered office of the Company, notice in writing, signed by a Member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election, and also notice in writing signed by that person of his willingness to be elected.

(f) Subject to the provisions of Article 33 hereof, the Company may from time to time by Ordinary Resolution increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office.

43. The Company may by ordinary resolution, of which special notice has been given in accordance with Section 379 of the Act, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director.

44. The Company may by ordinary resolution appoint another person in place of a Director removed from office under the immediately preceding Article. Without prejudice to the powers of the Directors under Article 34 the Company in General Meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. The person appointed to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

PROCEEDINGS OF DIRECTORS

45. (a) The Directors may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the Chair shall have a second or casting vote. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the United Kingdom. The quorum necessary for the transaction of the business of the Directors shall be two or one third of their number whichever is greater.

(b) The Directors shall elect a Chair of their meetings who shall hold office for a term not exceeding three years; at the end of this period the Chair shall be eligible for re-election. After a maximum of nine consecutive years in office the Chair will not be eligible for re-election. Any Chair who ceases to be eligible for re-election after nine years in office, will become eligible to be considered for election after one term in office of another Chair. If no such Chair is elected, or if at any meeting the Chair is not present within five minutes after the same time appointed for holding the same, the Directors present may choose one of their number to be Chair of the meeting.

46. The Directors may delegate any of their powers to committees consisting of two or more Directors as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors, act in accordance with a budget approved by the Directors thereon.
47. A committee may elect a Chair of its meetings; if no such Chair is elected, or if at any meeting the Chair is not present within five minutes after the time appointed for holding the same, the members of the committee may choose one of their number to be Chair of the meeting.
48. A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members of the Committee present, and in the case of an equality of votes the Chair shall have a second or casting vote.
49. All acts done by any meeting of the Directors or of a committee of Directors, or by any person acting as a Director, shall notwithstanding that it be afterwards discovered that there was some defect in the appointments of any such Director or person acting aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
50. A resolution in writing, signed by all the Directors for the time being entitled to receive notice of a meeting of the Directors, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly convened and held any such resolution in writing may consist of several documents in the like form signed by one or more such Directors.

THE SECRETARY

51. Subject to Sections 10 and 13(5) of the Act, the Secretary shall be appointed by the Directors for such a term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.
52. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

THE SEAL

53. The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be fixed shall be signed by a Director and shall be countersigned by the Secretary or by some other person appointed by the Directors for that purpose.

ACCOUNTS AND DIRECTORS REPORT

54. The Directors shall cause accounting records to be kept in accordance with sections 221 and 223 of the Act.
55. The Books of account or accounting records shall be kept at the office or, subject to the provisions of the Act, at such other place or places as the Directors shall think fit, and shall always be open to the inspection of the officers of the Company.
56. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the amounts and books of the company or any of them shall be open to the inspection of members not being officers of the Company, and no member (not being an officer) shall have any right of inspecting any account or book or document of the Company except as conferred by statute or authorised by the Directors or by the Company in General Meeting.
57. The Directors shall from time to time in accordance with the Act cause to be prepared and to be laid before the Company in general meeting such income and expenditure accounts, balance sheet, group accounts (if any) and reports as are referred to in the Act, and copies of such accounts, balance sheet and reports all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attached thereto or to accompany the same shall not less than twenty one (21) clear days before the date of the meeting, subject nevertheless to the provisions of Section 240(4) of the Act, be sent to the Auditors and to all other persons entitled to receive notices of General Meetings in the manner in which notices are hereinafter directed to be served. The Auditors' reports shall be open to inspection and be read before the meeting as required by Section 241 of the Act.

58. Once at least in every year the accounts of the Company should be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditors. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Act.

The remuneration of the Auditors may be fixed by the Directors.

NOTICES

59. A notice may be given by the Company to any member either personally or by sending it by post to him or his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of twenty-four hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.

60. Notice of every General Meeting shall be given in any manner hereinafter authorised to:

- (a) every Member except those Members who having not registered an address within the United Kingdom for the giving of notice to them by the Company;
- (b) the Auditors for the time being of the Company.

No other person shall be entitled to receive notices of General Meetings.

61. Clause 7 of the Memorandum of Association shall have effect as if repeated herein.

THE COMPANIES ACTS 1985 AND 1989
COMPANY LIMITED BY GUARANTEE (AND
NOT HAVING A SHARE CAPITAL)

MEMORANDUM OF ASSOCIATION
of
(ENGLISH TOURING THEATRE LIMITED)

1. The name of the Company (hereinafter called “the Company”) is “English Touring Theatre Limited”
2. The Registered Office of the Company will be situate in England.
3. The Company is established to promote, maintain, improve and advance education for the public benefit by the promotion of the arts in particular, but not exclusively, the art of drama and to formulate, prepare and establish schemes therefore provided that all objects of the Company shall be of a charitable nature.
4. The Company shall have the following powers exercisable in furtherance of its said objects but not further or otherwise, namely:-
 - (A) To present, promote, organise, provide, manage and produce such plays, dramas, comedies, operas, operettas, burlesques, films, broadcasts, concerts, musical pieces, puppet shows, ballets, entertainments and exhibitions, whether on any premises of the Company or elsewhere, as are conducive to the promotion, maintenance, improvement, and advancement of education or to the encouragement of the arts.
 - (B) To purchase, acquire and obtain interests in the copyright of or the right to perform or show any opera, play, mime, comedy, film, scenario, stage piece or musical composition which can be used or adapted for the objects of the Company.
 - (C) In furtherance of the objects of the Company to enter into agreements with authors, actors, dancers, composers, musicians, producers and script writers provided that such persons are not Directors of the Company.
 - (D) To purchase or otherwise acquire plant, machinery, furniture, fixtures, fittings, scenery and all other effects of every description necessary or convenient or usually or normally used in connection with or for the purpose of all or any of the objects of the Company.
 - (E) To retain or employ professional or technical advisers or workers not being Directors of the Company in connection with the objects of the Company and to pay reasonable and proper fees for their services.
 - (F) To establish, subsidise, promote, cooperate or federate with, affiliate to, act as trustees or agents for or manage or lend money or other assistance to any charitable association, society or other body, corporate or unincorporated, and having objects wholly or partly similar to those of the Company and for the purpose of promoting the objects of the Company and to cooperate with manufacturers, dealers or other traders, and with “the Press” and other sources of publicity.
 - (G) To purchase, take on lease or in exchange, hire or otherwise acquire and hold, sell, lease, or otherwise dispose of any real or personal property and any rights or privileges which may be necessary or convenient for the promotion of the objects of the Company and to contract, maintain and alter any buildings or erections necessary or convenient for the work of the Company.
 - (H) To take any gift of property whether subject to any trust or not for any one or more of the objects of the Company.
 - (I) Subject to such contents as may be required by law to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company as may be expedient in the promotion of its objects.
 - (J) To undertake and execute any charitable trusts having primary objects or partly similar to those of the Company and which may lawfully be undertaken by the Company.

- (K) Subject to such consents as may be required by law to borrow or raise money for the objects of the Company on such terms and on such security as may be thought fit, whether by the creation and issue of debenture stock or otherwise.
- (L) To invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, (subject nevertheless to such Conditions (if any) and such consents (if any) as may for the time being be required by law) but subject as hereinafter provided.
- (M) To establish, promote or assist any company or companies with exclusively charitable objects all or any of which are similar to the objects of the Company for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for the purpose of carrying on any activity which the Company is authorised to carry on or for any other charitable purpose calculated to benefit this Company in the furtherance of its objects.
- (N) To make any charitable donation either in cash or assets in furtherance of the primary objects of the Company.
- (O) To make all reasonable and necessary provisions for the payment of pensions and superannuation to or on behalf of employees and their widows or other dependents.
- (P) To purchase or otherwise acquire and undertake all or any of the property, assets, liabilities and engagements of any one of the charitable associations, societies or bodies with which this Company is authorised to cooperate or federate.
- (Q) To pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company.
- (R) To provide indemnity insurance to cover the liability of the directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the company: Provided that any such insurance shall not extend to any claim arising from any act or omission which the directors knew to be a breach of trust or breach of duty or which was committed by the directors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the directors in their capacity as directors of the company.

Provided that:

- (i) In case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as is allowed by law, having regard to such trusts.
 - (ii) The objects of the Company shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers.
 - (iii) In case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Company shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the Board of Directors of the Company shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and the same extent as such Board of Directors would have been if no incorporation of the Company had been effected and the incorporation of the Company shall not diminish or impart any control or authority exercisable by the Chancery Division of the High Court or the Charity Commissioners over such Board of Directors but they shall as regards any such property be subject jointly and separately to such control or authority as if the Company were not incorporated.
5. The income of the property of the Company, whencesoever derived, shall be applied solely towards the promotion of the objects of the Company as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred, directly or indirectly by the way of dividend, bonus or otherwise howsoever by way of profit, to the members of the Company paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Company.

Provided that nothing herein contained shall prevent any payment in good faith by the Company:

- (a) of reasonable and proper remuneration to any member, officer or employee of the Company (other than a Director) in return for any services actually rendered to the Company;

- (b) of interest at a rate not exceeding 3 per cent per annum below the base rate of the London clearing banks on money lent by any member of the association or by any Director of the Company;
- (c) of reasonable and proper rent for premises demised or let to the Company by any member of the Association or by a Director of the Company;
- (d) of fees, remuneration or other benefit in money or money's worth to a company of which a Director may be holding not more than $1/100^{\text{th}}$ part of the capital of that money;
- (e) of the usual professional and other charges for business transacted and acts done by any Director (being a lawyer, accountant or other person engaged in a profession) or by any partner of his, when instructed by the Board of Directors so to act in that capacity on behalf of the Company;
- (f) to any Director of reasonable out-of-pocket expense;
- (g) of any premium in respect of any indemnity insurance to cover the liability of the directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the company: Provided that any such insurance shall not extend to any claim arising from any act or omission which the directors knew to be a breach of trust or breach of duty or which was committed by the directors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the directors in their capacity as directors of the company;

and in any case of the cases mentioned in this proviso, the recipient (being either a member, officer or employee of the Company or a Director or some other person) shall not be bound to account to the Company for the payment in question for any share of profits he may receive in respect of any such payment.

6. The liability of members is limited.
7. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he 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 amongst themselves such amount as may be required not exceeding (£1).
8. If upon winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same not be paid to or distributed amongst the members of the Company, but shall be given or transferred to some other charitable society, institution or organisation having objects similar to the objects of the Company and which shall prohibit the distribution of its or their income and property among its or their members to and extent at least as great as is imposed on the Company under or by virtue of clause (4) of this Memorandum, such society, institution or organisation to be determined by the members of the Company at or before the time of dissolution and if and so far as effect cannot be given to such provision, then to some other charitable object.