

THE COMPANIES ACTS 1985 to 1989

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

UNITED KINGDOM WOODLAND ASSURANCE STANDARD (UKWAS)

as adopted by Special Resolution dated 25 November 2002

INTERPRETATION

1 In these Articles:-

“the Act” shall mean the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.

“the Articles” or “these Articles” shall mean the Articles of Association of the Company or such as are in force from time to time.

“Associate Member” shall mean a person who is accepted for associate membership pursuant to Article 10 but who is not a Member of the Company nor entitled to vote at general meetings of the Company.

“the Company” shall mean United Kingdom Woodland Assurance Standard(UKWAS).

“Chairman” shall mean the Chairman appointed from time to time under Article 63 or 64.

“clear days” shall mean, in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given but including the day for which it is given or on which it is to take effect.

“the Directors” shall mean the Directors for the time being as a body or a quorum of the Directors present at a Meeting of the Directors.

“executed” shall mean any mode of execution.

“Members” shall mean the members of the Company from time to time but excluding any Associate Members.

“office” shall mean the registered office of the Company.

“Secretary” shall mean 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.

“Steering Group” shall mean the Steering Group appointed pursuant to Article 38 for the time being as a body or a quorum of Steering Group members present at a meeting of the Steering Group (and **“Steering Group member”** shall be construed accordingly).

“United Kingdom” shall mean Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions employed in these Articles bear the same meanings as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.

Words denoting the masculine shall include the feminine. Words importing the singular shall include the plural and vice versa. Words denoting individuals shall include corporations.

OBJECTS

- 2 The Company is established for the objects expressed in the Memorandum of Association.

MEMBERS

- 3 Subject to the provisions of the Articles, membership of the Company shall be open to such bodies and persons as meet the requirements of Article 4 and are approved by the Members in accordance with the Articles.

- 4 Membership of the Company shall be open to bodies and persons which represent the interests of the United Kingdom forestry and/or environmental communities, and bodies and persons which represent the interests of people working in woods and forests or using them for the purposes of recreation.

- 5 No person shall be admitted to membership unless approved by a resolution of the Members in accordance with Article 31. Approval of persons for admission to membership of the Company pursuant to Article 3 shall be considered at a general meeting of the Company and any such resolution to admit such a person to membership shall require to be passed by all of such Members as (being entitled to do so) vote in person (or being a firm or corporation by a duly authorised representative) or by proxy where permitted at a general meeting of which notice specifying the intention to propose the resolution has been duly given. In determining whether any such resolution has been duly passed, any member attending the meeting but abstaining from voting shall not be counted. The Members shall have full discretion as to the admission and non-admission of any person to membership and shall not be bound to assign any reason for the non-admission of any person to such membership.

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- 6.1 In the event that a body which satisfies the requirements of Article 4 wishes to participate but does not wish to be admitted to membership itself, or wishes to be admitted to membership of the Company but does not have separate legal personality, such body may nominate a person to act as its member and generally exercise the rights of membership on its behalf.

- 6.2 In the event that a person nominated by a body referred to in Article 6.1 (“Sponsoring Body”) is admitted to membership by the Members in

accordance with the Articles the Sponsoring Body may from time to time revoke such nomination and nominate another representative in his place. Upon receipt by the Directors of any such revocation, such person shall *ipso facto* cease to be a member of the Company or act or be entitled or recognised as a representative of that Sponsoring Body and any person nominated in his place shall be and become a member of the Company and the representative of that Sponsoring Body in the place of the representative whose nomination has been revoked as aforesaid.

- 6.3 All nominations and revocations mentioned in this Article 6 shall be in writing signed by a duly authorised representative of the Sponsoring Body. Each Sponsoring Body shall at the date of each nomination give to the Directors in writing particulars of the names and addresses of each member thereof and all such further particulars as the Directors may require, and thereafter shall give such particulars when and as often as may be required by the Directors. Any change in the constitution or nature of a Sponsoring Body or in the status of any of its Members shall be immediately notified in writing to the Directors.
- 7 Any person who desires to be admitted to membership of the Company must sign or have signed on his behalf and deliver to the Company an application for admission framed in such terms as the Company may require and shall so consent in writing to be a member and to subscribe at least £1 each year, or such other sum as the Company in General Meeting may from time to time upon the recommendations of the Directors determine, to the general funds of the Company.
- 8 A member shall cease to be a member of the Company in any of the following circumstances:-
- 8.1 If by giving at least seven clear days notice in writing lodged at the office he resigns from membership; or
- 8.2 If he is removed from membership by a resolution of the Members passed by four fifths of such Members as (being entitled to do so) vote in person (or being a firm or corporation by a duly authorised representative) or by proxy where permitted, at a general meeting specially convened to consider such resolution of which he shall have been given a reasonable opportunity of attending and being heard (and membership of the Company shall cease forthwith in respect of a Member if the Members so resolve that it is in the best interests of the Company that such membership shall be terminated and they shall not be obliged to assign their reasons for such resolution); or
- 8.3 If, being a duly nominated representative of a Sponsoring Body, his nomination is terminated by a duly lodged revocation in accordance with Article 6.
- 8.4 If, being a firm, the estates of the firm or of any of the partners are sequestrated or the firm suspends or compounds with its creditors; or
- 8.5 If, being a corporation, it goes into liquidation;
- 8.6 If, having failed to make payment of a sum lawfully due by such Member to the Company (including any annual subscription) within three months of the date on which such payment is due, the Directors resolve that such member shall cease to be a member.

- 9 The rights of a Member shall be personal and membership shall not be transferable and where applicable, shall cease on death.

PATRONS AND ASSOCIATE MEMBERS

- 10 At any time the Directors shall have the power of appointing any person or persons to be a Patron of the Company (whether a member or not) or Associate Member of the Company subject to the following provisions:-
- 10.1 No person shall be admitted as an Associate Member of the Company unless he is approved by the Steering Group. Every person who wishes to become an Associate Member shall deliver to the Company an application for membership in such form as the Directors require executed by him. The Directors shall, acting on the advice of the Steering Group, determine the conditions of Associate Membership (which may include an obligation to pay an annual subscription) which shall be intimated to such applicant upon request. Admission as an Associate Member of the Company shall bind such person to comply with the said conditions as resolved aforesaid. Associate membership of the Company shall not entitle the Associate Member to membership of or voting rights in the Company. The rights and privileges of an Associate Member as such shall be personal to him individually and shall not be capable of transmission or devolution on his death or bankruptcy.
- 10.2 An Associate Member may withdraw from Associate membership of the Company by notice in writing to the Secretary. Failing agreement otherwise by the Directors, such notice shall take effect one month after the date of its receipt by the Secretary.
- 10.3 Associate membership of the Company shall cease forthwith in respect of an Associate Member if the Directors, after prior consultation with the Steering Group, unanimously resolve that it is in the best interests of the Company that such Associate membership shall be terminated and they shall not be obliged to assign their reasons for such resolution. Associate membership of any Associate Member of the Company shall be automatically terminated by failure to renew any annual subscription within fourteen days of the date on which such renewal becomes due.
- 10.4 No person shall be appointed as a Patron of the Company unless he is approved by the Steering Group.
- 10.5 The basis of appointment of a Patron shall be determined by the Directors, acting on the advice of the Steering Group, and the Directors may terminate such appointment or accept such person's resignation, in each case after prior consultation with the Steering Group. Such person shall not be a Director or Member of the Company by virtue only of such appointment.
- 10.6 No Patron or Associate Member of the Company shall take part in the management of the Company, nor shall they be liable on a winding-up unless a member of the Company.

GENERAL MEETINGS

- 11 All general meetings other than annual general meetings shall be called extraordinary general meetings.

- 12 The Directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting.

NOTICE OF GENERAL MEETINGS

- 13 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 day's notice but a general meeting may be called by shorter notice if it is so agreed:-

13.1 in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and

13.2 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.

The notice shall specify the time and place of the meeting and in the case of special business only the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

The notice shall be given to all the Members and to the Directors, the Steering Group and auditors.

- 14 The accidental omission to give notice of a meeting to, or the non-receipt of a notice of a meeting by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.
- 15 Every notice convening a general meeting shall comply with the provisions of Section 372 (3) of the Act giving information to Members in regard to their right to appoint proxies

PROCEEDINGS AT GENERAL MEETINGS

- 16 No business shall be transacted at any general meeting unless a quorum is present. A quorum shall be not less than one half of all the persons who at the commencement of the meeting are Members of the Company, and are entitled to vote upon the business to be transacted.
- 17 If such a quorum is not present within thirty minutes from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such other day and such other time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present within thirty minutes from the time appointed therefor the Members present shall be a quorum
- 18 The Chairman, if any, or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting but if neither the Chairman nor such other Director (if any) be present within ten 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.

- 19 If no Director is willing to act as chairman, or if no Director is present within ten 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.
- 20 A Director or Steering Group member shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meetings.
- 21 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting) adjourn business 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. When a meeting is adjourned for fourteen 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.
- 22 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:-
- 22.1 by the chairman; or
 - 22.2 by at least two Members having the right to vote at the meeting; or
 - 22.3 by a Member or Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting;
- and a demand by a person as proxy for a Member shall be the same as a demand by the member.
- 23 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.
- 24 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.
- 25 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.
- 26 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 27 A poll demanded on the election of a chairman to preside at the meeting pursuant to Article 18 or 19 or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith 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 the 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.

- 28 No notice need be given of a poll not taken forthwith 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.
- 29 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 instruments in the like form each executed by or on behalf of one or more Members.

VOTES OF MEMBERS

- 30 On a show of hands every Member who (being an individual) is present in person or (being a firm or corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every Member present in person by a duly authorised representative or by proxy shall have one vote.
- 31 Without prejudice to the provisions of the Act, the Company shall not:-
- 31.1 make any change to its Memorandum of Association or the Articles; or
 - 31.2 admit bodies or other persons as Members off the Company; or
 - 31.3 adopt or make changes to its operating procedures; or
 - 31.4 adopt or make changes to the Steering Group Rules referred to in Article 38;
- unless approved by a resolution of Members passed at a general meeting by all of such Members as (being entitled to do so) vote in person (or being a firm or corporation by a duly authorised representative) or by proxy where permitted at a general meeting of which notice specifying the intention to propose the resolution has been duly given. In determining whether any such resolution has been duly passed in accordance with this Article, any Member attending the meeting but abstaining from voting shall not be counted.
- 32 A Member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by the court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 33 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 chairman whose decision shall be final and conclusive.

- 34 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):-

“ LIMITED”

I/We, _____, of _____,
 being a member/Members of the above named Company, hereby appoint
 of _____,
 or failing him _____,
 of _____ as my/our proxy
 to vote in my/our name (s) and my / our behalf at the annual / extraordinary meeting
 of the Company to be held on _____ 20 _____, and at any
 adjournment thereof.

Signed on _____ 20 _____.”

- 35 Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) :-

“ LIMITED”

I/We, _____, of _____,
 being a member/Members of the above named Company, hereby appoint
 of _____ or failing him _____,
 of _____ as my/our
 proxy to vote in my/our name (s) and my / our behalf at the annual / extraordinary
 meeting of the Company to be held on _____ 20 _____, and at any
 adjournment thereof.

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 on _____ 20 _____.”

- 36 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:-

36.1 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 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

36.2 in the case of a poll taken more than 48 hours after it was demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll;-

36.3 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman or the secretary or to any Director

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

37 A vote given or poll demanded by proxy or by the duly authorised representative of a firm or 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 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.

STEERING GROUP

38 The first Members of the Steering Group shall be appointed by the Members in General Meeting and shall hold office only until the next following annual general meeting. If not re-appointed at such annual general meeting in accordance with the provisions of this Article, the member shall vacate office at the conclusion thereof. All further Members of the Steering Group will be appointed by the Members in accordance with, and shall serve in office in accordance with, such rules (“Steering Group Rules”) for appointment adopted by the Members in General Meeting from time to time in accordance with Article 31.. The Steering Group Rules as adopted and amended from time to time shall regulate, *inter alia*, the number, appointment, retirement and removal of Steering Group members.

39 Subject to the provisions of the Act, the Memorandum and the Articles, the Steering Group shall be responsible for the following:-

39.1 the appointment of Directors in accordance with Article 48;

39.2 the selection of a single nominee for recommendation to the Members for election as Chairman in accordance with Article 63;

39.3 providing guidance as required by the Company in relation to admission of members;

39.4 considering applications for membership on behalf of the Members and making recommendations to the Members regarding such applications (which shall not be binding and shall be entirely without prejudice to the discretion of Members as to admission or non admission to membership);

39.5 maintaining, amending and interpreting the Company’s forest certification standard;

39.6 drawing up operating procedures for consideration by the Members, and keeping such procedures under review and recommending additions or amendments to the Members;

39.7 licensing, protecting and defending the “United Kingdom Woodland Assurance Standard” name;

39.8 providing an interface between, and guidance to, the Members and the Directors

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40.1 Subject to the provisions of the Articles, the Steering Group may regulate its proceedings as it thinks fit. The Chairman or any Steering Group member may call a meeting of the Steering Group by at least fourteen clear days’ notice. It shall not be necessary to give notice of a meeting to a Steering Group member who is absent from the United Kingdom.

40.2 The quorum for the transaction of the business of the Steering Group shall be two-fifths of all the persons who at commencement of the meeting are Steering Group members.

40.3 Decisions of the Steering Group shall require the unanimous vote of those attending and voting at a duly convened meeting of the Steering Group. Any member attending the meeting but abstaining from voting shall not be counted.

DIRECTORS

41 The first Directors shall be those persons named in the statement delivered pursuant to Section 10(2) of the Act; who shall be deemed to have been appointed under these Articles. Future Directors shall be appointed as provided subsequently in the Articles.

42 No person (other than the Chairman from time to time) shall be eligible to hold office as a member of the Board of Directors of the Company unless at the date of his appointment to such office he is a Member of the Company or he is a representative of a Member of the Company.

ALTERNATE DIRECTORS

42A Any Director (other than an alternate director) may appoint any person who is willing to act, is approved by resolution of the Directors and is not a Director, to be an alternate director and may remove from office an alternate director so appointed by him.

42A.1 An alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member, to attend and vote at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as Director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.

42A.2 An alternate director shall cease to be an alternate director if his appointor ceases to be a Director.

- 42A.3 Any appointment or removal of an alternate director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.
- 42A.4 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him.

POWERS OF DIRECTORS

- 43 Subject to the provisions of the Act, the Memorandum and the Articles (and in particular to powers reserved to the Steering Group) 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 regulation 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.
- 44 In the exercise of powers not reserved to the Members or the Steering Group, and the management of the business of the Company, the Directors shall have regard to the views of, and consult with, the Steering Group.
- 45 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.

DELEGATION OF DIRECTORS' POWERS

- 46 The Directors may delegate any of their powers to any committee consisting of one or more Directors. 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. The quorum of a committee with two Members shall, unless otherwise specified by the Directors, be two.

APPOINTMENT AND RETIREMENT OF DIRECTORS

- 47 Unless otherwise directed by ordinary resolution of the Members, the number of Directors shall be five.
- 48 The Chairman shall be an ex-officio Director for so long as he remains in office. Subject to the foregoing, and to the other provisions of the Articles, the Directors shall be appointed by the Steering Group for a three year term and shall be eligible for re-appointment.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 49 The office of a Director shall be vacated if:-
- 49.1 he, being Chairman, ceases to hold office as Chairman; or

- 49.2 the Steering Group resolves that he be removed from office; or
- 49.3 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
- 49.4 he becomes bankrupt or makes any arrangement or composition with the creditors thereof generally; or
- 49.5 he is, or may be, suffering from mental disorder and either:-
- a) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984, or
 - b) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- 49.6 he resigns office by notice to the Company, or
- 49.7 he is convicted of an offence which is likely to bring the Company into disrepute, or
- 49.8 he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated
- 50 The Company may by ordinary resolution of which special notice has been given in accordance with Section 379 of the Act remove any director from office notwithstanding anything in these Articles or any agreement between the Company and such Director.

DIRECTORS' EXPENSES

- 51 The Directors may be paid at the discretion of the Board of Directors, 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 otherwise in connection with the discharge of their duties.

DIRECTORS' APPOINTMENTS AND INTERESTS

- 52 Subject to the provisions of the Act, the Directors appoint one or more of their number to any executive office of the Company and may enter into an agreement or arrangement relating to the provision of any services outside the scope of the ordinary duties of a Director provided that any remuneration agreed to be paid therefor shall not in any way be in contravention of Clause 5 of the Memorandum. Any such appointment made shall terminate if the Director ceases to be a Director of the Company.
- 53 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:-

- 53.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested provided that no Director who has a contract of service or any other type of contract with the Company shall be entitled to vote in any matter relating to such contract or to vote on his appointment; or
- 53.2 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; and
- 53.3 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.
- 54 For the purposes of Article 58:-
- 54.1 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
- 54.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

PROCEEDINGS OF DIRECTORS

- 55 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. 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.
- 56 The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be three. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 57 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 calling a general meeting.
- 58 The Chairman shall, unless he is unwilling to do so, preside at every meeting of Directors at which he is present. But if there is no Chairman, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting the Directors present may appoint one of their number to be Chairman of the meeting.

- 59 All acts bona fide 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.
- 60 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate director it need not be signed by the alternate director in that capacity.
- 61 A Director, who has complied with the duty of disclosure contained in Article 53 and required by the Act, may vote at any meeting of the Directors or of any committee of the Directors on any resolution, notwithstanding that it in any way concerns, relates to or touches upon a matter in which he has, directly or indirectly, any kind of interest whatsoever (provided that no Director shall participate in discussions on or vote on any matter concerning remuneration or any benefit received by him personally); and if he shall vote on any such resolution as aforesaid his vote shall be counted; and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
- 62 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the Chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive. If such a question arises in relation to the Chairman of such a meeting the question may be decided by a majority of Directors present, the presence of the Chairman not being counted in any such decision.

CHAIRMAN

- 63 A Chairman may be appointed in general meeting by the Members for such term, and at such remuneration and upon such conditions, as the Members may determine, provided that no person shall be appointed as Chairman unless he is recommended by the Steering Group. Any Chairman so appointed may be removed by the Members in general meeting. The Chairman shall not be required to be a Member of the Company or of the Steering Group but shall hold office as a Director for the duration of his appointment as Chairman.
- 64 In the event that no Chairman is appointed by the Members or the Chairman resigns or is removed, the Steering Group may appoint a person who is willing to act as interim chairman. Any Chairman so appointed shall hold office only until the next following annual general meeting and if not recommended by the Steering Group and subsequently appointed by the Members at such meeting, shall vacate office at the conclusion thereof.

SECRETARY

- 65 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.

MINUTES

- 66 The Directors shall cause minutes to be made in books kept for the purpose:-
- 66.1 of all appointments of officers made by the Directors; and
- 66.2 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.

NOTICES

- 67 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.
- 68 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 registered address or by leaving it at that address. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.
- 69 A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and where requisite, of the purposes for which it was called.
- 70 Proof that an envelope containing a notice was properly addressed, prepaid and posted 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.

DISSOLUTION

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

INDEMNITY

- 72 Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution or discharge of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the Court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the

- 73 Company and no Director or other officer or auditor of the Company shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution or discharge of the duties of his office or in relation thereto.