

**THE COMPANIES ACTS 1985 TO 2006**  
**COMPANY LIMITED BY GUARANTEE (AND NOT HAVING A SHARE CAPITAL)**  
**ARTICLES OF ASSOCIATION OF**  
**WENSLEYDALE RAILWAY ASSOCIATION LIMITED**

**I GENERAL**

1. In these Articles:-

“the Act” means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force and any provisions of the Companies Act 2006 for the time being in force.”

“Communication” means the same as in the Electronic Communications Act 2000;

“Electronic Communication” means the same as in the Electronic Communications Act 2000.”

“the Seal” means the common seal of the Company.

“Company Secretary” means any person appointed to perform the duties of the Secretary of the Company.

“the United Kingdom” means Great Britain and Northern Ireland.

“the Management Board” means all those persons appointed to perform the duties of Directors of the Company.

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 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.

**II MEMBERS**

2. The Subscribers to the Memorandum of Association and such other persons who support the objects of the Company as the Management Board shall admit to Membership shall be members of the Company.
3. Any person or institution (as hereinafter defined) shall be admitted to membership upon receipt by the Company Secretary of a signed application in writing in a form to be approved by the Management Board stating that such person or institution as the case may be approves the objects and general principles and aims of the Company as hereinbefore set out unless the Management Board shall within six weeks of such receipt decide that in their view (which decision shall be final) the admission of the applicant to membership would be prejudicial to the interests of the Company.

For the purposes of this Article “institution” shall mean any incorporated or unincorporated body and an institution which becomes a member of the Company shall be known as a “corporate member” and save where otherwise provided the expression ‘member’ shall in these Articles include a “corporate member”.

4. The subscriptions payable by members shall be determined from time to time by the Company’s members at its Annual General Meeting. Subscriptions may vary according to the category of membership as defined herein and within each category according to the period of membership and other characteristics of members including but not limited to his/her age. The acceptance of an application for membership shall be conditional on payment in full by the applicant/any third party on behalf of the applicant, of the relevant membership subscription appropriate to the category and type of membership for which the member has applied.
5. Every member upon admission shall be allocated to one of the following categories of membership at the absolute discretion of the Directors:
  - a) Individual Members shall be members who are individuals who share an interest in the objects of the Company and shall have one vote.
  - b) Household Members shall be members who are two or more persons who reside at the same address and share an interest in the objects of the Company and shall have one vote.
  - c) Corporate Members shall be members who are institutions as defined in Article 3 and who share an interest in the objects of the Company and shall have one vote. Provided each Corporate Member nominates a specified representative (and communicates the identity of such representative to the Management Board) as soon as possible after its election as a Corporate Member, then such specified representative may exercise voting rights on behalf of the Corporate Member.
  - d) Honorary Members shall be persons invited by the Management Board to accept membership of the Association in recognition of exceptional services rendered to the Association or exceptional contributions to the Wensleydale Railway and to the pursuit of the Association’s objects. An Honorary member shall be exempt from payment of a subscription but shall, unless already a member, sign a written consent to become a member in a form approved by the Management Board.
  - e) In accordance with articles 5 d) and 78 of these Articles the Management Board may from time to time put in place rules providing a means for members to submit names to the Management Board for consideration regarding the proposed appointment of Honorary Members.
6. The Company shall keep a Register of members containing the name and address of every member, the date on which s/he or it became a member, a note of the category of membership and the date on which s/he or it ceased to be a member. Every member shall either sign a written consent to become a member or sign the Register on becoming a member. A member shall notify the Secretary in writing within twenty-eight days of a change to their name or address.

7. A member shall cease to be a member in the following circumstances:-
- a) If such member's subscription renewal is not paid within two months from the date on which the previous subscription expires, unless the Management Board in its absolute discretion decides otherwise. However the General Secretary may, in confidence (save that the circumstances must be reported to the Management Board) and at his absolute discretion (but subject to ratification by the Management Board) waive a subscription payment in light of any personal circumstances of an Individual or Household member.
  - b) If guilty of such conduct as in the opinion of the Management Board shall be at variance with the objects and principles of the Company or be prejudicial to its interests.
  - c) If such member resigns in writing to the Secretary.
  - d) The member dies, if an individual person.
  - e) The member is wound up or goes into liquidation, if an institution.
  - f) If, in the opinion of the Directors, the member ceases to qualify for any of the categories of membership specified in Article 5.

### **III 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 notices calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of 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 Management Board shall appoint.
9. The Management Board may, whenever they think fit, convene an Extraordinary General Meeting. Extraordinary General Meetings may also be convened at the request of any ten percent of the members of the Company or 50 members of the Company, whichever is the lesser.
10. An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by giving at least twenty-one days' clear notice in writing. Meetings of the Company other than an Annual General Meeting shall be called by giving at least fourteen days' clear notice in writing. The notice shall specify the place, date, and time of the meeting and the general nature of any special business to be discussed. Notice of the meeting must be given to everyone entitled to receive such notices under these Articles.

Provided that a meeting of the Company shall be deemed to have been duly called notwithstanding the accidental omission to give notice of a meeting to or non-receipt of notice of a meeting by any person entitled to receive notice.

11. Decisions at General Meetings shall be made by passing resolutions:
- a) Decisions involving an alteration to Clause 8 of the Memorandum of Association and to Articles 77 and 81 and this Article 11(a) of these Articles of Association shall require the unanimous vote of all the members of the Company at an Extraordinary General Meeting testified by their signatures.
  - b) Decisions involving an alteration to clauses of the Memorandum and Articles of Association, other than those specified above, and other decisions so required from time to time by statute, shall be made by a Special Resolution. A Special Resolution is here defined as one passed by a majority of not less than three fourths of the members of the Company present and voting at an Extraordinary General Meeting or an Annual General Meeting.
  - c) All other decisions shall be made by ordinary resolution requiring a simple majority.

#### **IV PROCEEDINGS AT GENERAL MEETINGS**

12. 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 reports of the Management Board and auditors, the election of members of the Management Board in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors.
13. No member shall have more than one vote except as provided for in Article 23.
14. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by her/his committee, receiver or curator bonis or other person in the nature of a committee, receiver or curator bonis appointed by that court.
15. 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. Save as otherwise provided in these Articles thirty members or ten per cent of the members of the Company present in person, whichever is the lesser, shall be a quorum.
16. 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 and at such other time and place as the Management Board may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum
17. Subject to the provisions 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. Such Resolution may consist of several documents in like form each signed by one or more of the Members.

18. The Chairman of the Management Board shall preside as Chairman at every General Meeting of the Company. If the Chairman is not present within fifteen minutes after the time appointed for the holding of the meeting the Members present shall elect one of their number to be Chairman of the meeting.
19. The Chairman 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 from 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.
20. 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 by the Chairman or by at least two members present in person. The demand for a poll may be withdrawn.
21. Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
22. Except as provided in Article 24, if a poll is duly demanded it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
23. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman 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.
24. A poll demanded on the election of a Chairman, 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 Chairman of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
25. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his or her attorney duly authorised in writing, or if the appointor 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.
26. 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 or 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. An instrument

appointing a proxy contained in an electronic communication with an address specified for the purpose of receiving electronic communications –

- (a) in the notice convening the meeting; or
- (b) in any instrument of proxy sent out by the Company in relation to the meeting; or
- (c) in any invitation contained in an electronic communication to appoint a proxy issued to the Company in relation to the meeting,

may be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. In this provision, ‘address’ in relation to electronic communications includes any number or address used for the purposes of such communications

- 27. An instrument appointing a proxy shall be in such form as determined in accordance with article 78.
- 28. Where it is desired to afford members an opportunity to vote for or against a resolution acting by their proxy then in accordance with article 78 of these Articles any instrument appointing a proxy may be made in any form as the Management Board approve and communicate to the Company members from time to time.
- 29. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 30. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used. A vote given in accordance with the terms of an instrument of proxy shall also be valid 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 before taking the poll.
- 31. The Company may submit any vote on the election of Directors and any resolution to a postal ballot.
- 32. Any notice of postal ballot shall:
  - a) state the purpose of the ballot, the closing date and time of the ballot;
  - b) be sent to each eligible member at his or her registered address;
  - c) be accompanied by a voting paper which in the case of an election of Directors shall state the number of Directors to be elected and contain a list of the eligible candidates (distinguishing between retiring Directors and other candidates);

- d) be accompanied in the case of an election of Directors by any election address of not more than 500 words;
- e) be sent so as to reach eligible members not less than 28 days before the closing date of the postal ballot; and
- f) be advertised in accordance with Article 10.

## **V REPRESENTATIVES ACTING FOR CORPORATE MEMBERS AT MEETINGS**

33. Any corporate member may by resolution of its Directors, Management Board or other governing body appoint an individual to act as its representative at any meeting of the Company and the person so appointed shall be entitled to exercise the same powers on behalf of such corporate member as that corporate member could exercise if it were an individual member of the Company.

## **VI MANAGEMENT BOARD**

34. Except as provided for in Article 41, the qualification of a Management Board member shall be that s/he is a member of the Company and there shall be no other qualification required. For the avoidance of doubt Management Board members are Directors of the Company in law.
35. The number of Management Board members shall be no fewer than 6 and no more than 12 not including persons co-opted pursuant to article 41
36. The Members of the Management Board shall be elected at the Company Annual General Meeting. Members are elected to serve for a period up to 3 years but may retire earlier. A Member who has served 3 years since his/her election shall be required to retire.
37. A retiring Management Board member may offer himself/herself for re-election.
38. Any member of the Association (including Corporate and Honorary members) may offer him/herself for election to the Management Board at the Annual General Meeting. For Corporate members, the specified representative (as referred to in provision 5 c) of the Company's Articles) may offer him/herself for election onto the Management Board at the Annual General Meeting on behalf of the Corporate member.
39. Each candidate for election to the Management Board whether retiring or new must be proposed by an existing member, seconded by a separate existing member, and must notify the General Secretary of his/her intention to stand for election no later than 42 days before the Annual General Meeting in which he/she seeks to be elected.

40. The Management Board members shall be individually elected as follows:
- a) Where the number of candidates is less than or equal to the number of available places, then each successful candidate shall be required to obtain more votes in favour than against from the voting members.
  - b) Where there are more candidates than available places, then the members shall vote either for or against each candidate. The number of votes for and the number of votes against shall be noted for each candidate so that each shall be attributed a net score calculated on the basis of the number of votes in favour minus the number of votes against. Such number of candidates obtaining the highest net score as equals the number of available places shall be elected to the Management Board. Each successful candidate shall be required to obtain more votes in favour than against from the voting members.
  - c) In the event of a tie in the number of votes for particular candidates following the process detailed in article 40 (b) above and there still being available Management Board places, then the voting members shall have a second vote, either voting for or against each equal scoring candidate to determine who shall be elected to the Management Board. Such number of candidates obtaining the highest net scores as equals the number of available places shall be elected to the Management Board. Each successful candidate shall be required to obtain more votes in favour than against from the voting members.
  - d) In the event of a tie in the number of votes for particular candidates following the process detailed in article 40 (c) above and there still being available places on the Management Board, then the voting members shall by poll vote be entitled to vote for one only of such equal scoring candidates, such that the number of candidates who have received the most votes as equals the number of available places shall be duly elected to the Management Board. If following this vote there is still an equality of votes then the remaining places on the Management Board shall be left vacant until the next meeting of members.”
41. The Management Board may at any time co-opt any person to the Management Board, whether or not s/he is a member of the Company, provided that not more than three such co-options shall be made between one Annual General Meeting and the next. All persons so co-opted shall retire at the Annual General Meeting following their co-option but shall be eligible to be re-appointed thereafter. Co-opted members shall not have the power to vote.
42. The Members of the Management Board may be paid all reasonable hotel and other out-of-pocket expenses properly incurred by them in attending and returning from meetings of the Management Board of any committee thereof or General Meetings or in connection with the activities of the Company.
43. A member of the Management Board may act in a professional capacity for the Company, and s/he or his/her firm shall be entitled to remuneration for professional services as if s/he were not a Management Board member; provided that nothing contained herein shall authorise a Management Board member or his/her firm to act as auditor to the Company.

44. A Member of the Management Board shall not vote in respect of any contract in which s/he is directly or indirectly interested or any matter arising out of any such contract and if s/he does so her/his vote shall not be counted.

## **V11 BORROWING POWERS**

45. The Management Board 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 or of any third party. No lender or other person dealing with the Company shall be concerned to see or inquire whether such prior consent is given.

## **VIII POWERS AND DUTIES OF MANAGEMENT BOARD**

46. The business of the Company shall be managed by the Management Board, 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 General Meeting, subject nevertheless to the provisions of the Act or the Articles and to such rules, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in accordance with Article 70 hereof or in General Meeting; but no rule made by the Company in General Meeting shall invalidate any prior act of the Management Board which would have been valid if that regulation had not been made.
47. 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 Management Board shall from time to time by resolution determine.
48. The Management Board shall cause minutes to be made in books provided for the purpose:-
- a) of all appointments of officers made by the Management Board;
  - b) of the names of the Members of the Management Board present at each meeting of the Management Board and of any sub-committee of the Management Board
  - c) of all resolutions and proceedings at all meetings of the Company, and of the Management Board, and of sub-committees of the Management Board.
49. The Members of the Management Board on behalf of the Company may make all reasonable and necessary provision for the payment of pensions and superannuation benefits to or in respect of employees and their dependants.

## **IX ADVISERS AND OBSERVERS**

50. In managing the business of the Company pursuant to Article 46, the Management Board shall have full power to seek and defray the cost of obtaining advice, including power to invite advisers and/or observers to attend and speak at its meetings (but not vote) on any issue before it for decision when professional expertise is required.

## **X DISQUALIFICATION OF MEMBERS OF THE MANAGEMENT BOARD**

51. The office of Member of the Management Board shall be vacated if the said Member:-
- a) becomes bankrupt or makes any arrangement or composition with her/his creditors generally; or
  - b) ceases to be a member of the Company in accordance with Article 7 or is the deputy of a corporate body which ceases to be a member; or
  - c) becomes prohibited from being such a Member by reason of any order made under Section 295 of the Act; or
  - d) becomes of unsound mind; or
  - e) resigns her/his office by notice in writing to the Company; or
  - f) is directly or indirectly interested in any contract with the Company and fails to declare the nature of her/his interest in manner required by Section 317 of the Act.

## **XI APPOINTMENT AND REMOVAL OF MEMBERS OF THE MANAGEMENT BOARD**

52. The Company shall not be subject to Section 293 of the Act and therefore no person having attained the age of seventy shall be prohibited from holding the office of Management Board member.
53. The Company may by Ordinary Resolution at any time and from time to time appoint or remove a Member of the Management Board subject to Sections 303 and 304 of the Act.
54. A Member of the Management Board may be removed from office at any time by a two-thirds majority of the Board present and voting at any meeting called for that purpose. Such Member shall have the right to appeal against his/her removal from office under this Article by giving notice of such to the Company Secretary at the registered office of the Company not less than seven days from the date of such meeting and the Company Secretary shall within five days of the receipt of such notice issue notice calling an Extraordinary General Meeting of the Company to be held on a date to be determined in consultation with the Officers elected pursuant to Article 63 hereof to review the decision of the Management Board and decide whether to confirm it or reinstate the Member. The Member concerned shall have the right to receive the same notice of the Extraordinary General Meeting as members of the Company and the right to speak in person (but not through any representative or adviser) at the Extraordinary General Meeting or to submit written representations to it but this shall not oblige the Company to adjourn its proceedings to facilitate the attendance of such Member or the drafting of any written representations.
55. Pending the decision of the Extraordinary General Meeting of the Company the Member of the Management Board concerned shall not be entitled to attend meetings of the Committee and, in the event of his/her reinstatement, no proceedings of the Management Board shall be called into question by reason of their having been decided, undertaken or performed while such appeal is pending.

## **XII PROCEEDINGS OF MANAGEMENT BOARD**

56. The Management Board may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit except that the Management Board shall meet at least four times in each calendar year, and may determine the quorum necessary for the transaction of business provided always that the quorum shall not be less than five, including two officers as defined in Article 63. It shall not be necessary to give notice of a meeting of the Management Board to any Member thereof for the time being absent from the United Kingdom. A Member of the Management Board may, and the Company Secretary on the requisition of any such Member shall at any time summon a meeting of the Management Board.
57. Questions arising at any meeting shall be decided by a majority of votes, and in the case of an equality of votes the Chairman shall have a second or casting vote.
58. The continuing Members of the Management Board may act notwithstanding any vacancy in their body but, if and so long as their number is reduced below the number fixed by or pursuant to the articles of the Company as the necessary quorum of the Management Board, the continuing Members or Member thereof may act for the purpose of increasing the number of Members to that number, or of summoning a General Meeting of the Company, but for no other purpose.
59. The Members of the Management Board may delegate any of their powers to sub-committees consisting of such members of their body as they think fit and any sub-committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Management Board and shall not expend funds of the Company otherwise than in accordance with a budget agreed by the Management Board. All acts and proceedings of any such sub-committee shall be reported back to the Management Board as soon as possible.
60. All acts done by any meeting of the Management Board or of a sub-committee of the Management Board, or by any person acting as a Member of the Management Board, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Member of the Management Board or person acting as 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 Member of the Management Board.
61. A Resolution in writing signed by all the Members of the Management Board for the time being entitled to receive notice of a meeting of the Management Board shall be as valid and effectual as if it had been passed at a meeting of the Management Board duly convened and held. Such Resolution may consist of several documents in the like form each signed by one or more of the Members of the Management Board.
62. The Management Board may at its discretion invite other persons to attend its meetings, with or without speaking rights, but without voting rights.

## **XIII OFFICERS OF THE COMPANY**

63. Following the Annual General Meeting the Management Board shall elect from its members a Chairman, a Vice-Chairman, a Treasurer and a General Secretary. The Chairman shall preside at any meeting of the Management Board. In the absence of the Chairman one of the other officers shall preside in the order set out above.

64. Subject to the provisions of the Act the Company Secretary shall be appointed by the Management Board for such term, at such remuneration and upon such conditions as they may think fit; and any Company Secretary so appointed may be removed by them.
65. A provision of the Act or these Articles requiring or authorising a thing to be done by or to both a Member of the Management Board and the Company Secretary shall not be satisfied by that thing being done by or to the same person acting in both offices.

#### **XIV THE SEAL**

66. The Management Board shall provide for the safe custody of the Seal (if any) which shall only be used by the authority of the Management Board or of a committee of the Management Board authorised by the Management Board in that behalf, and every instrument to which the Seal shall be affixed shall be signed by a Member of the Management Board and shall be countersigned by the Company Secretary or by a second Member of the Management Board or by some other person appointed by the Management Board for the purpose.

#### **XV ACCOUNTS**

67. The Management Board shall cause accounting records to be kept in accordance with Sections 221 to 223 inclusive of the Act.
68. The accounting records shall be kept at the registered office of the Company, or subject to sub-sections (1) and (2) of Section 222 of the Act at such other place or places as the Management Board think fit, and shall always be open to the inspection of the officers of the Company.
69. The books of account shall be kept at the Registered Office of the Company or, subject to section 222 of the Act, at such other place as the Management Board thinks fit, and shall at all reasonable times be open to the inspection of all members and officers and by other persons authorised by the Company in General Meeting.
70. Members of the Management Board shall from time to time in accordance with Sections 227, 229, 235, 236, 239, 241 and 242 of the Act cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those Sections.
71. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditor's report and Management Board's report shall not less than twenty-one days before the date of the meeting be sent to every Member of, and every holder of debentures of, the Company provided that this article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any debentures.

#### **XVI AUDIT**

72. Subject to statutory exemptions and regulations as may be in force, and unless the Company is eligible for and decides to implement the small company audit exemptions, at least once in every year the accounts of the Company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.

73. Auditors shall be appointed and their duties regulated in accordance with sections 237 and 384 of the Act.

## **XVII NOTICES**

74. A notice may be given by the Company to any member either personally or by sending it by post to her/him or to her/his registered address, or (if s/he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by her/him to the Company for the giving of notice to her/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 72 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. Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of the directors) may be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this regulation, 'address' in relation to electronic communications includes any number or address used for the purposes of such communications. The Company may give any notice to a member electronically to an address for the time being notified to the Company by the member. A member who gives to the Company an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him/her at that address, but otherwise no such member shall be entitled to receive any notice from the Company. 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. In the case of a notice contained in an electronic communication such notice shall be deemed to be given at the expiration of 48 hours after the time it was sent.
75. Notice of every General Meeting shall be given in any manner hereinbefore authorised to:-
- a) every member except those members who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for the giving of notices to them;
  - b) every person being a legal personal representative or a trustee in bankruptcy of a member (having given to the Company notice of her/his appointment and an address in the United Kingdom for the service of notices) where the member but for her/his death or bankruptcy would be entitled to receive notice of the meeting; and
  - c) the Auditor for the time being of the Company.

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

## **XVIII INDEMNITY**

76. In the execution of her/his duties and the exercise of her/his rights in relation to the affairs of the Company (and without prejudice to any indemnity to which s/he may otherwise be entitled) every Member of the Management Board shall be entitled to be indemnified out of the assets of the Company against any costs, losses, claims, actions

or other liabilities suffered or incurred by her/him and arising by reason of any improper investment made by or for the Company in good faith (so long as s/he shall have sought professional advice before making or procuring the making of such investment) or by reason of any negligence or fraud of any agent engaged or employed by her/him in good faith (provided reasonable supervision shall have been exercised) notwithstanding the fact that the engagement or employment of such agent was strictly not necessary or by reason of any mistake or omission made in good faith by her/him or by reason of any other matter or thing other than deliberate fraud, wrongdoing or wrongful omission on the part of the Member of the Management Board who is sought to be made liable. This clause shall only have effect insofar as it is not voided by any provision of the Act.

## **XIX WINDING UP**

77. The provisions of Clause 8 of the Memorandum of Association relating to the winding up or dissolution of the Company shall have effect as if the same were repeated in these Articles.

## **XX RULES OR BYE LAWS**

78. The Management Board may from time to time make such Rules or Bye Laws as it may deem necessary or convenient for the proper conduct and management of the Company and in particular but without prejudice to the generality of the foregoing, it may by such Rules or Bye Laws regulate:

- a) The conduct of members of the Company in relation to one another, and to the Company's employees.
- b) The setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes.
- c) The procedure at General Meetings and meetings of the Management Board and sub-committees in so far as such procedure is not regulated by these Articles.
- d) And, generally, all such matters as are commonly the subject matter of Company rules.

79. The Company in General Meeting shall have the power to alter or repeal the Rules or Bye Laws and to make additions to them and the Management Board shall adopt such means as they deem sufficient to bring to the notice of members of the Company all such Rules or Bye Laws, which, so long as they shall be in force, shall be binding on all members of the Company provided nevertheless that no Rule or Bye Law shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or Articles of Association of the Company.

## **XXI APPLICATION OF SURPLUS**

80. The surplus of the Company shall be applied in the following ways and in such a manner as may be recommended by the Management Board and approved at the Annual General Meeting:
- a) First, to creating a general reserve for the continuation and development of the Company.
  - b) Secondly, to make payments for social and charitable purposes in furtherance of its objects.

## **XXII AMENDMENTS TO THE ARTICLES**

81. The provisions of these Articles of Association may only be amended by a special resolution passed in accordance with Article 11(b) except Articles 11(a), and 77 and this Article 81 may only be amended by the unanimous vote of all members testified by their signatures.

## **XXIII PRESIDENT, PATRONS AND ASSOCIATE MEMBERS**

82. The Management Board may appoint any person to be the President and any person or persons to be Patrons of the Company for such term or terms specified at the time of appointment as they shall think fit. Such persons shall not by virtue only of such appointments be directors or members of the Company.
83. The Company shall have the power to create such categories of associate members as shall be necessary to reward service to the company or to further its objects or to ensure that the Company takes into account the views and opinions of the local community and relevant agencies and to provide services to such associate members. Associate members shall not be members of the Company and shall have no rights and liabilities under these Articles.