

THE COMPANIES ACT 1985

SPECIAL RESOLUTION

- of -

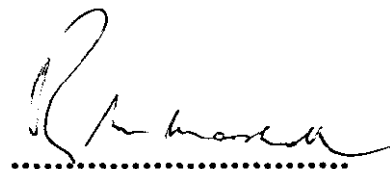
THE CHICHESTER FESTIVAL THEATRE TRUST LIMITED

Passed on 28th February 1998

At an extraordinary general meeting of the company held on 28th February 1998 the following resolution was duly passed as a special resolution of the company:

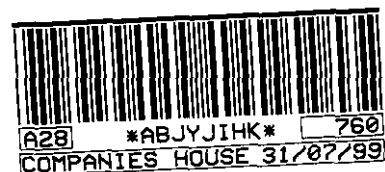
SPECIAL RESOLUTION

"THAT the Memorandum and Articles of Association, copies of which are produced to the meeting and initialled for the purpose of identification by the Chairman, be adopted as the Memorandum and Articles of Association of the Company to the exclusion of and in substitution for the existing Memorandum and Articles of Association."



.....

Chairman



THE COMPANIES ACT 1985

SPECIAL RESOLUTIONS

- of -

THE CHICHESTER FESTIVAL THEATRE TRUST LIMITED

Passed on 12th March 1999

At an extraordinary general meeting of the company held on 12th March 1999 the following resolutions were duly passed as special resolutions of the company:

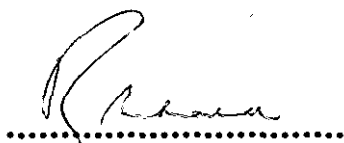
SPECIAL RESOLUTIONS

1. "THAT the Memorandum of Association of the Trust be amended by deleting the second paragraph of Clause 4 and substituting the following:

"Provided that nothing herein shall prevent the payment in good faith, of the usual professional charges for business done by any member of the Council or Board of Management of the Trust who is a solicitor, accountant, or other person engaged in a profession, or by any partner of his or hers, when instructed by the Trust to act in a professional capacity on its behalf, provided that at no time shall a majority of the Council or Board of Management of the Trust benefit under this provision and that a member of the Council or Board of Management of the Trust shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion; of reasonable and proper remuneration to any officer

or servant of the Trust, or to any member of the Trust, in return for any services actually rendered to the Trust, nor prevent the payment of interest at a rate not exceeding 6 per cent per annum on money lent or reasonable and proper rent for premises demised or let by any member of the Trust; but so that no member of the Council or Board of Management of the Trust shall be appointed to any salaried office of the Trust or any office of the Trust paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Trust to any Councillor or member of such Board of Management, except as aforesaid and, except repayment of out-of-pocket expenses and interest at the rate aforesaid on money lent or reasonable and proper rent for premises demised or let to the Trust; provided that the provisions last aforesaid shall not apply to any payment to any company of which a Councillor or a member of the Board of Management may be a member, and in which such member shall not hold more than one hundredth part of the capital, and such member shall not be bound to account for any share of profits he may receive in respect of any such payment.””

2. “THAT the Articles of Association of the Trust be amended by deleting the word “Extraordinary” at the beginning of the third line of Article 6(C) and by substituting the word “Annual”.



Chairman

Company Number: 687593

The Companies Acts 1948 to 1967

and

The Companies Act 1985

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

MEMORANDUM AND ARTICLES OF ASSOCIATION

THE CHICHESTER FESTIVAL THEATRE TRUST LIMITED

Incorporated the 23rd day of March 1961

Thomas Eggar Church Adams
East Pallant
Chichester
West Sussex
PO19 1TS

Tel: 01243 786111
Fax: 01243 775640



THE COMPANIES ACTS 1948 to 1967

AND

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION OF

THE CHICHESTER FESTIVAL THEATRE TRUST LIMITED

(As adopted by a Special Resolution passed on the 28th February 1998 and as amended by a Special Resolution passed on the 12th March 1999)

1. The name of the Company (hereinafter called "the Trust") is "THE CHICHESTER FESTIVAL THEATRE TRUST LIMITED".
2. The registered office of the Trust will be situate in England.
3. The objects for which the Trust is established are the promotion and advancement of aesthetic education and the cultivation and improvement of public taste in drama, opera, music, painting and the other arts (hereinafter called "the primary objects") and the following ancillary objects in so far as they are incidental to the attainment of the primary objects (but not otherwise) namely:
 - A) To construct at Chichester in the County of Sussex a theatre to be used for the advancement of the primary objects and to enter into all or any contracts necessary for or incidental to the completion of such theatre.
 - B) To present, produce, manage, conduct and represent at the said theatre or elsewhere such plays dramas, operas, ballets, concerts or other artistic performances as will contribute to the attainment of the primary objects and to employ or authorise other persons, firms or companies to present, produce, manage, conduct or represent such dramatic, operatic, musical or other artistic performances as aforesaid.
 - C) To carry on at the said theatre or elsewhere all or any of the businesses of theatre, opera house or picture gallery proprietors or agents, play, theatrical, operatic programme and general publishers and printers, scene proscenium and general painters and decorators, theatrical, operatic and musical agents, and other business or businesses incidental to the attainment of the primary objects.

- D) To purchase or otherwise acquire and obtain exclusive and other interests in copyrights and the rights of representation and any other rights of or in plays, operas or other artistic compositions.
- E) To establish and conduct dramatic, theatrical, operatic, ballet, picture and other artistic exhibitions, lectures and schools by which an opportunity may be given to the public of appreciating first-class dramatic, theatrical, pictorial and other artistic works.
- F) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Trust may think necessary or convenient for the promotion of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Trust.
- G) To sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Trust as may be thought expedient with a view to the promotion of the primary objects.
- H) To undertake and execute any charitable trusts which may lawfully be undertaken by the Trust and may be conducive to the primary objects.
- I) To borrow or raise money for the purposes of the Trust on such terms and on such security as may be thought fit.
- J) To invest the moneys of the Trust 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 imposed or required by law and subject also as hereinafter provided.
- K) To establish and support or aid in the establishment and support of any charitable associations or institutions and to subscribe or guarantee money for charitable purposes in any way connected with the purposes of the Trust or calculated to further the primary objects.
- L) To do all such things as are incidental or conducive to the attainment of the primary objects or any of them.

Provided that:

- i) In case the Trust shall take or hold any property which may be subject to any trusts, the Trust shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
- ii) The Trust shall not support with its funds any object, or endeavour to impose on or procure to be observed by its members or others any regulation, restriction or condition which if an object of the Trust would make it a Trade Union.

- iii) In case the Trust shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales or Minister of Education, the Trust 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 Council or Board of Management of the Trust 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 to the same extent as they would as such Council or Board of Management have been if no incorporation had been effected and the incorporation of the Trust shall not diminish or impair any control or authority exercisable by the Chancery Division, the Charity Commissioners or the Minister of Education over such Council or Board of Management, but they shall as regards any such property be subject jointly and separately to such control or authority as if the Trust were not incorporated.
4. The income and property of the Trust, whencesoever derived, shall be applied solely towards the promotion of the primary objects of the Trust as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to the members of the Trust.
- Provided that nothing herein shall prevent the payment in good faith, of the usual professional charges for business done by any member of the Council or Board of Management of the Trust who is a solicitor, accountant, or other person engaged in a profession, or by any partner of his or hers, when instructed by the Trust to act in a professional capacity on its behalf, provided that at no time shall a majority of the Council or Board of Management of the Trust benefit under this provision and that a member of the Council or Board of Management of the Trust shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion; of reasonable and proper remuneration to any officer or servant of the Trust, or to any member of the Trust, in return for any services actually rendered to the Trust, nor prevent the payment of interest at a rate not exceeding 6 per cent per annum on money lent or reasonable and proper rent for premises demised or let by any member of the Trust; but so that no member of the Council or Board of Management of the Trust shall be appointed to any salaried office of the Trust or any office of the Trust paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Trust to any Councillor or member of such Board of Management, except as aforesaid and, except repayment of out-of-pocket expenses and interest at the rate aforesaid on money lent or reasonable and proper rent for premises demised or let to the Trust; provided that the provisions last aforesaid shall not apply to any payment to any company of which a Councillor or a member of the Board of Management may be a member, and in which such member shall not hold more than one hundredth part of the capital, and such member shall not be bound to account for any share of profits he may receive in respect of any such payment.
5. The liability of the members is limited.

6. Every member of the Trust undertakes to contribute to the assets of the Trust, 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 Trust 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 among themselves, such amount as may be required not exceeding £50.
7. If upon the winding up or dissolution of the Trust there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Trust, but shall be given or transferred to some other institution or institutions having charitable objects similar to the primary objects of the Trust, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Trust under or by virtue of Clause 4 hereof, such institution or institutions to be determined by the members of the Trust at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable object.
8. True accounts shall be kept of the sums of money received and expended by the Trust, and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Trust and of the property, credits and liabilities of the Trust; and, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Trust for the time being, such accounts shall be open to the inspection of the members. Once at least in every year the accounts of the Trust 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.

THE COMPANIES ACTS 1948 to 1967

AND

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF

THE CHICHESTER FESTIVAL THEATRE TRUST LIMITED

(As adopted by a Special Resolution passed on the 28th February 1998 and as amended by a Special Resolution passed on the 12th March 1999)

GENERAL

1. In these presents the words standing in the first column of the Table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context.

WORDS

MEANINGS

the "Act"	The Companies Act 1985.
these "presents"	These Articles of Association and the regulations of the Trust <i>from time to time in force</i> .
the "Trust"	The above-named Trust.
the "Council"	The Council of Management.
"Councillors"	Members of the Council of Management.
the "Office"	The registered office of the Trust.
"Productions Company"	The Chichester Festival Theatre Productions Company Limited (registered number 703132)
the "Seal"	The common seal of the Trust.

"Term"	The period commencing immediately following an Annual General Meeting and expiring at the end of the Annual General Meeting next following.
"Member"	Any member of the Trust.
"Theatre Director"	The Artistic Director, Administrative Director, Managing Director, Theatre Director, Festival Director, or any other officer of the Chichester Festival Theatre with duties similar to those of such offices in whole or part.
"Co-opted Councillor"	A Councillor appointed under Article 28(B).
the "United Kingdom"	Great Britain and Northern Ireland.
"Month"	Calendar month.
"In writing"	Written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in a visible form.

And words importing the singular number only shall include the plural number, and vice versa.

Words importing the masculine gender only shall include the feminine gender; and

Words importing persons shall include corporations.

Subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof in force at the date on which these presents become binding on the Trust shall, if not inconsistent with the subject or context, bear the same meanings in these presents.

2. The number of Members of the Trust is limited to seventy five, but the Council may from time to time resolve to increase the maximum number of Members.

3. The provisions of section 352 of the Act shall be observed by the Trust and every Member shall either sign a written consent to become a Member or sign the register of Members on becoming a Member.

4. The Trust is established for the purposes expressed in the Memorandum of Association.

5. The subscribers to the Memorandum of Association and such other persons as the Council shall admit to membership in accordance with the provisions hereinafter contained shall be Members.

6. (A) There shall be two classes of Member namely (i) Ex-Officio Members and (ii) Elected Members.

(B) The following shall be Ex-Officio Members, subject to the holder of the office for the time being consenting in writing, namely, the Bishop of Chichester, the Mayor of Chichester (or such person as may be nominated by Chichester City Council from time to time), the Director of Education for the County of West Sussex, the Chairman of the Chichester Festival Theatre Society, the Chairman of the Chichester District Council, and the Member of Parliament for Chichester.

(C) Elected Members shall be such persons as shall be proposed by at least two Members and elected by the Members as a result of an Ordinary Resolution passed at an Annual General Meeting, the name or names of the proposed Elected Member or Members having been first circulated to the Members not less than fourteen days prior to the meeting at which it is proposed to elect him or them a Member or Members.

(D) At the Annual General Meeting of the Trust in every year one third of the Elected Members for the time being or if their number is not a multiple of three then the number nearest to one third shall retire from membership of the Trust.

(E) The Members to retire at each such meeting shall be those who have been Members longest since their last election or re-election and as between Members of equal seniority the Members to retire shall in the absence of agreement be selected from among them by lot. The length of time a Member has been a Member shall be computed from his last election or re-election. A retiring Member shall be eligible for re-election at the meeting at which he retires or at any subsequent meeting, and a retiring member so re-elected shall only be entitled to vote at the meeting at which he is re-elected on business dealt with subsequent to the resolution for his re-election.

7. Membership of the Trust shall not be transferable and shall cease upon the death of the Member.

8. Any Member may resign his Membership by notice in writing to the Chairman or Secretary of the Trust and upon receipt of such notice he shall cease to be a Member and his name shall be removed from the register of Members, but any such resignation shall be without prejudice to any liability which such Member shall have under Clause 5 of the Memorandum of Association and shall not operate to release the Member from liability for any sums due to the Trust from such Member prior to his resignation.

GENERAL MEETINGS

9. The Trust shall hold a General Meeting in every calendar year as its Annual General Meeting at such time and place as may be determined by the Council; and shall specify the meeting as such in the notices calling it, provided that every Annual General Meeting shall be held not more than fifteen months after the holding of the last preceding Annual General Meeting. All General Meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings, and the Council shall in any event convene at least one Extraordinary General Meeting of the Trust each year, at which meeting the Council will present a full report of the activities of the Trust since the last Annual General Meeting or Extraordinary General Meeting as the case shall be.

10. The Council 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.

11. Twenty-one days' notice in writing at the least of every Annual General Meeting and of every meeting convened to pass a Special Resolution, and fourteen days' notice in writing at the least of every other General Meeting (exclusive in every case both of the day on which it is served or deemed to be served and of the day for which it is given), specifying the place, the day and the hour of meeting, and in the case of special business the general nature of that business, shall be given in manner hereinafter mentioned to such persons (including the Auditors) as are under these presents or under the Act entitled to receive such notices from the Trust; but with the consent of all the Members having the right to attend and vote thereat, or of such proportion of them as is prescribed by the Act in the case of meetings other than Annual General Meetings, a meeting may be convened by such notice as those Members may think fit.

12. The accidental omission to give notice of a meeting to or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate the proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

13. All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special with the exception of the election of Members in place of those retiring, the consideration of the income and expenditure account and balance sheet, and the reports of the Council and of the Auditors, the election of the Councillors 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 is present when the meeting proceeds to business. Save as herein otherwise provided nine Members personally present shall be a quorum.

15. If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Council may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the Members present shall be a quorum.

16. The Chairman (if any) of the Council shall preside as Chairman at every General Meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to preside, the Members present shall choose one of the Council or if no Councillor be present, or if all the Councillors present decline to take the chair, they shall choose some Member who shall be present to preside.

17. 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 business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

18. At any General Meeting a resolution put to the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, required by the Chairman or by at least three Members present in person and unless a poll be so required a declaration by the Chairman of the meeting 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 minute book of the Trust shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The requirement for a poll may be withdrawn.

19. Subject to the provisions of Article 20, if a poll be required in manner aforesaid, it shall be taken at such time and place, and in such manner as the Chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was required.

20. No poll shall be required on the election of a Chairman of a meeting, or on any question of adjournment.

21. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote.

22. The requirement of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been required.

VOTES OF MEMBERS

23. Subject to Article 6 (E) hereof and as hereinafter provided, every Member shall have one vote which may be given in person or by proxy. Any vote given by proxy shall be so given in accordance with Regulations 60-62 inclusive of Table A in the Schedule to the Companies (Tables A to F) Regulations 1985.

24. No Member other than a Member duly registered, who shall have paid every subscription and other sum (if any) which shall be due and payable to the Trust in respect of his Membership, shall be entitled to vote on any question at any General Meeting.

COUNCIL OF MANAGEMENT

25. The Chairman and Deputy Chairman of the Board of Directors of the Productions Company from time to time shall be Councillors by virtue of their holding those offices (the "Ex-Officio Councillors")

26. The Trust may from time to time appoint any person to be the President of the Trust and any person or persons to be Vice Presidents of the Trust and may determine the period for which the President and any Vice President shall hold such office. The person or persons so appointed shall have been a member of the Council or shall have rendered special service to the Trust. The President and any Vice President may at any time be removed by resolution of the Trust and another qualified person may be appointed in his place. The President and Vice President or Vice Presidents shall be entitled to attend all General Meetings of the Trust but unless he shall be a Member of the Trust he shall have no right to vote on any Resolution submitted at any General Meeting. The President and any Vice President shall not by virtue of that designation be deemed a director or a Councillor.

27. Unless otherwise determined by an Ordinary Resolution the number of Councillors (excluding Ex-Officio Councillors) shall not be less than two nor more than eight.

28. (A) Subject to the provisions of Article 29 below, the Council may from time to time and at any time appoint any Member to be a Councillor, either to fill a casual vacancy or by way of addition to the Council of Management, provided that the prescribed maximum be not thereby exceeded. Any Member so appointed shall retain his office only until the next Annual General Meeting, but he shall then be eligible for re-election. A Councillor ceasing to hold office by virtue of this Article shall not be taken into account in determining the Councillors who are to retire by rotation at the meeting.

(B) The Council may appoint any person to be a Co-opted Councillor upon such terms as it shall think fit whether or not such person is a Member and whether or not the prescribed maximum is thereby exceeded PROVIDED ALWAYS that such appointment shall be necessary to satisfy any special requirements imposed upon the Trust or agreed by the Council.

29. (A) No person other than an Ex-Officio Councillor or a Co-opted Councillor who is not a Member shall in any circumstances be eligible to hold office as a Councillor.

(B) No person shall be appointed or eligible to hold office as a Councillor who holds or has at any time held the post of Theatre Director.

(C) No person shall be capable of being appointed a Councillor if at the time of his appointment he has attained the age of 70 and every Councillor shall vacate his office at the conclusion of the Annual General Meeting commencing next after he attains the age of 70.

(D) Nothing in Article 29(C) prevents the re-appointment of a Councillor at any age, or requires a Councillor to retire at any time, if his re-appointment is or was made or approved by the Trust in general meeting; but special notice is required of a resolution re-appointing or approving the re-appointment of a Councillor to have effect under this article, and the notice of the resolution given to the Trust, and by the Trust to its members, must state or have stated, the age of the person to whom it relates provided however that:

(i) any Councillor re-appointed pursuant to this Article 29(D) shall only hold office until the Annual General Meeting next following his re-appointment but

shall, subject to paragraph (ii) below, be entitled to be re-elected; and

(ii) notwithstanding the foregoing no person shall be capable of being re-appointed a Councillor if at the time of his re-appointment he has attained the age of 75 and every Councillor shall vacate his office at the Annual General Meeting next following his attainment of the age of 75.

DISQUALIFICATION AND REMOVAL OF COUNCILLORS

30. The office of a Councillor shall be vacated if:

- (A) 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
- (B) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (C) he is, or may be, suffering from mental disorder and either:
 - (i) 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
 - (ii) 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
- (D) he resigns his office by notice to the Company; or
- (E) he shall for more than 6 consecutive months have been absent without permission of the Council from meetings of the Council held during that period and the Council resolves that his office be vacated.
- (F) he ceases to be a Member of the Trust (unless an Ex-Officio Councillor or a Co-opted Councillor).
- (G) he becomes a Theatre Director.
- (H) he becomes a director of the Productions Company save where he is an Ex-Officio Councillor by virtue of his being Chairman or Deputy Chairman of the board of directors of the Productions Company.

ROTATION OF COUNCILLORS

31. At the Annual General Meeting to be held in every year any Councillor who ceases to retain his office under Article 28(A) and any Councillor who is required to vacate his office

pursuant to Article 30 shall do so and one-third of the other members (excluding the Ex-Officio Councillors) of the Council for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office, provided that the Ex-Officio Councillors shall not be subject to the requirements of retirement by rotation.

32. The Councillors to retire shall be those who have been longest in office since their last election or appointment. As between Councillors of equal seniority, the Councillors to retire shall in the absence of agreement be selected from among them by lot. The length of time a Councillor has been in office shall be computed from his last election or appointment. A retiring Councillor shall be eligible for re-election provided that no person (other than an Ex-Officio Councillor or a Co-opted Councillor) may serve as a Councillor for a period in excess of nine (9) consecutive Terms but shall be eligible for re-election after the expiry of two (2) further consecutive Terms.

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

34. No person not being a Councillor retiring at the meeting shall, unless recommended by the Council for election, be eligible for election as a Councillor at any General Meeting, unless within the prescribed time before the day appointed for the meeting there shall have been given to the Secretary notice in writing, by some Member duly qualified to be present 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 the person to be proposed, of his willingness to be elected. The prescribed time above mentioned shall be such that, between the date when the notice is served, or deemed to be served, and the day appointed for the meeting there shall be not less than four nor more than twenty eight intervening days.

35. The Trust may from time to time in General Meeting increase or reduce the number of Councillors and determine in what rotation such increased or reduced number shall go out of office, and may make the appointments necessary for effecting any such increase.

36. In addition and without prejudice to the provisions of section 303 of the Act, the Trust may by Extraordinary Resolution remove any Councillor before the expiration of his period of office, and may by an Ordinary Resolution appoint another qualified member in his stead; but any person so appointed shall retain his office so long only as the Councillor in whose place he is appointed would have remained a Councillor if he had not been removed.

POWERS OF THE COUNCILLORS

37. The business of the Trust shall be managed by the Council who may pay all such expenses of, and preliminary and incidental to, the promotion, formation, establishment and registration of the Trust as they think fit, and may exercise all such powers of the Trust and do on behalf of the Trust all such acts as may be exercised or done by the Trust in General Meeting, subject nevertheless to any regulations of these presents, to the provisions of the statutes for the time being in force and affecting the Trust, and to such regulations, being not inconsistent with the

aforesaid regulations or provisions, as may be prescribed by the Trust in General Meeting, but no regulation made by the Trust in General Meeting shall invalidate any prior act of the Council which would have been valid if such regulation had not been made.

38. The Councillors for the time being may act notwithstanding any vacancy in their body; provided always that in case the Councillors shall at any time be or be reduced in number to less than the minimum number prescribed by or in accordance with these presents, it shall be lawful for them to act as Councillors for the purpose of filling up vacancies in their body, or of summoning a General Meeting, but not for any other purpose.

39. A Theatre Director shall be entitled to receive notice of and to attend by invitation but not to vote at any meeting of the Council.

BORROWING POWERS

40. (A) The Council may exercise all the powers of the Trust to borrow money, and to mortgage or charge its undertaking and property, or 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.

(B) Notwithstanding sub-Article (A) of this Article the Council shall not without first having advised the Members in writing cause or permit the amount for the time being remaining undischarged of moneys borrowed or secured by the Trust to be increased by one hundred thousand pounds (£100,000) or more but nevertheless no lender or other person dealing with the company shall be concerned to see or inquire whether this requirement is observed such advice to be given not less than 21 days before any such proposed increase is implemented.

WORKS OF DEMOLITION ALTERATION ETC

41. Notwithstanding Article 37 the Council shall not without first having advised the Members in writing execute or cause to be executed any works for the demolition of the Chichester Festival Theatre or for its improvement alteration or extension either internally or externally in any manner which will materially affect the internal or external appearance of the buildings or materially alter its character such advice to be given not less than 21 days before any such works are implemented.

PROCEEDINGS OF THE COUNCIL

42. The Council may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business. Unless otherwise determined, three shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chairman shall have a second or casting vote.

43. A Councillor may, and on the request of a Councillor the Secretary shall, at any time, summon a meeting of the Council by notice served upon the several Councillors. A Councillor who is absent from the United Kingdom shall not be entitled to notice of a meeting.

44. The Council shall from time to time elect a Chairman who shall be entitled to preside at all meetings of the Members at which he shall be present, and may determine for what period he is to hold office, but if no such Chairman be elected, or if at any meeting the Chairman be not present within five minutes after the time appointed for holding the meeting and willing to preside, the Councillors present shall choose one of their number to be Chairman of the meeting.

45. A meeting of the Council at which a quorum is present shall be competent to exercise all the authorities, powers and discretion by or under the regulations of the Trust for the time being vested in the Council generally.

46. The Council may delegate any of their powers to committees consisting of such Councillor or Councillors or Members as they think fit, and any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Council. The meetings and proceeding of any such committee shall be governed by the provisions of these presents for regulating the meetings and proceedings of the Council so far as applicable and so far as the same shall not be superseded by any regulation made by the Council.

47. All acts bona fide done by any meeting of the Council or of any committee of the Council or by any person acting as a Councillor shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such Councillor 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 or had duly continued in office and was qualified to be a Councillor.

48. The Council shall cause proper minutes to be made of all appointments of officers made by the Council and of the proceedings of all meetings of the Trust and of the Council and of committees of the Council, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the Chairman of such meeting, or by the Chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.

49. A resolution in writing signed by all the Councillors for the time being or of any committee of the Council who are entitled to receive notice of a meeting of the Council or of such committee shall be as valid and effectual as if it had been passed at a meeting of the Council or of such committee duly convened and constituted.

SECRETARY

50. The Secretary shall be appointed by the Council for such time, at such remuneration and upon such conditions as they may think fit, and any Secretary so appointed may be removed by them. The provisions of sections 283 and 284 of the Act shall apply and be observed. The Council may from time to time by resolution appoint an assistant or deputy Secretary, and any person so appointed may act in place of the Secretary if there be no Secretary capable of acting. No person shall be capable of being appointed the Secretary who has attained the age of 70 and the Secretary shall, vacate his office at the conclusion of the Annual General Meeting next following his attainment of the age of 70.

THE SEAL

51. The seal of the Trust shall not be affixed to any instrument except by the authority of a resolution of the Council and in the presence of at least two Councillors or one Councillor and the Secretary and the said signatories shall sign every instrument to which the seal shall be so affixed in their presence, and in favour of any purchaser or person bona fide dealing with the Trust such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.

ACCOUNTS

52. The Council shall cause proper books of account to be kept with respect to:

- (A) all sums of money received and expended by the Trust and the matters in respect of which such receipts and expenditure take place;
- (B) all sales and purchases of goods by the Trust; and
- (C) the assets and liabilities of the Trust.

Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Trust and to explain its transactions.

53. The books of account shall be kept at the registered office of the Trust, or, subject to section 222 of the Act, at such other place or places as the Council shall think fit, and shall always be open to the inspection of the Council.

54. The Trust in General Meeting may from time to time impose reasonable restrictions as to the time and manner of the inspection by the Members, other than Councillors, of the accounts and books of the Trust, or any of them, and subject to such restrictions the accounts and books of the Trust shall be open to the inspection of such Members at all reasonable times during business hours.

55. At the Annual General Meeting in every year the Council shall lay before the Trust a proper income and expenditure account for the period since the last preceding account (or in the case of the first account since the incorporation of the Trust) made up to a date not more than nine months before such meeting, together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Council and the Auditors, and copies of such account, 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 clear days before the date of the meeting, subject nevertheless to the provisions of section 238(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' report shall be open to inspection and be read before the meeting as required by section 235 of the Act.

AUDIT

56. Once at least in every year the accounts of the Trust 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.

57. Auditors shall be appointed and their duties regulated in accordance with Chapter V of Part XI of the Act, the Councillors being treated as the Directors mentioned in that Chapter.

NOTICES

58. A notice may be served by the Trust upon any Member, either personally or by sending it through the post in a prepaid letter, addressed to such Member at his registered address as appearing in the register of Members.

59. Any Member described in the register of Members by an address not within the United Kingdom, who shall from time to time give the Trust an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon him at such address, but, save as aforesaid and as provided by the Act, only those Members who are described in the register of Members by an address within the United Kingdom shall be entitled to receive notices from the Trust.

60. Any notice, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter.

DISSOLUTION

61. Clause 7 of the Memorandum of Association relating to the winding up and dissolution of the Trust shall have effect as if the provisions thereof were repeated in these Articles.

INDEMNITY

62. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every Councillor or other officer or Auditor of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment 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 Trust.