

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

SPECIAL RESOLUTION

Of

THE NEW KADAMPA TRADITION

Company No: 2758093

Charity No: 1015054

At a meeting of the members duly convened on August 11th 2003 the following Special Resolution was passed

SPECIAL RESOLUTION

That Articles 2, 11, 19 and 24 of the Articles of Association attached hereto be approved and adopted in substitution for the existing Articles of Association:

Article 2:

'The Members of the Society shall be the original subscribers to the Memorandum and Articles and in addition the Members of the Society shall be limited to all those persons who are appointed as the Spiritual Director or Resident Teacher of a Buddhist Centre that is authorized by the Society to use the name "The New Kadampa Tradition".

'PROVIDED THAT If a person is appointed as Spiritual Director or Resident Teacher of such a Buddhist Centre he or she shall automatically become a Member of the Society; and that if a person for whatever reason ceases to be the Spiritual Director or Resident Teacher of such a Buddhist Centre he or she shall automatically cease forthwith to be a Member of the Society, and ...'

Article 11:

'11 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; one-tenth of the number of Members of the Society for the time being or ten Members present in person shall be a quorum provided that where a resolution is proposed to be put to a vote at a General Meeting and such resolution if passed would result in amendment of the objects Clause 3 in the Society's Memorandum of Association or the amendment of this Article 11, Article 2, Article 18, Article 19, or would result in



A09
COMPANIES HOUSE

ASXTF2HQ

0386
03/02/05

the amendment of more than one of the aforesaid then the quorum for such Meeting shall be 95% of all of the Members for the time being.'

Article 19:

'Notwithstanding any other provision of these Articles or any other regulation of the Society:

'(a) Where a resolution which if passed would result in the amendment of the Objects Clause 3 in the Society's Memorandum of Association, then the resolution shall require the approval of at least 95% of all Members of the Society whether on a poll or on a show of hands and whether present in person or by proxy;

'(b) Where a resolution which if passed would result in the amendment of this Article 19, or Article 2, Article 11, or Article 18 or the amendment of more than one of the aforesaid then the resolution shall require the approval of at least 95% of all Members of the Society whether on a poll or on a show of hands and whether present in person or by proxy.'

Article 24:

'24 (a) The management of the Society shall be entrusted to a Committee of Management which shall normally consist of a maximum of four persons but never less than three persons, all of whom shall be chosen from among those persons who are appointed as the Administrative Director of Buddhist Centres that are authorized to use the name "The New Kadampa Tradition".

'(b) The office of a member of the Committee shall be vacated:

- i. If he becomes bankrupt etc.*[no change]*; or
- ii. If he is or may be suffering from mental disorder etc*[no change]*; or
- iii. If by notice in writing to the Society he resigns his office; or
- iv. If he becomes prohibited by law from holding office, or he ceases to be a member of the Committee by virtue of any provision of the Act.
- v. If he is removed from office by a resolution duly passed pursuant to Section 303 of the Companies Act 1985;

'(c) At each Annual General Meeting of the Society one of the members of the Committee of Management then in office shall retire from office. Etc. *[no change]*

'(d) Every candidate for election to the Committee must have indicated his willingness to serve and shall be nominated by two Members of the Society and no Member shall take part in the nomination of more than one candidate. Nominations shall be made in writing and shall be forwarded to the Secretary

at least 14 days before the date of the Annual General Meeting and if the number of nominations shall exceed the number of vacancies a list of the persons so nominated with the names of their nominators shall be sent by the Secretary to each Member not less than 7 days before the date of the Annual General Meeting. The election of the persons so nominated shall be determined at the Annual General Meeting by a ballot conducted at such Meeting in such manner as the Chairman of the Meeting may decide.'

It was further decided to adopt by special resolution the additional new working name for the charity 'New Kadampa Tradition – International Kadampa Buddhist Union', for a particular part of the charity's work.

..... K. P. P.
Chairperson

..... 5/9/03
Date

**The Companies Acts 1985 & 1989
Company Limited by Guarantee
and not having a Share Capital**

**Memorandum of Association
of
THE NEW KADAMPA TRADITION
(As revised 01 February 2005)**

- 1 The name of the Society is "The New Kadampa Tradition".
- 2 The Registered Office of the Society is to be situated in England and Wales.
- 3 The objects for which the Society is established are:
 - To increase the Buddhist Faith throughout the world under the spiritual guidance of the elected General Spiritual Director of the New Kadampa Tradition - International Kadampa Buddhist Union by promoting the activities of the New Kadampa Tradition - International Kadampa Buddhist Union, which union is defined as "the union of Kadampa Buddhist Centres, the international association of study and meditation centres that follow the pure tradition of Mahayana Buddhism derived from the Buddhist meditators and scholars Atisha and Je Tsongkhapa, introduced into the West by the Buddhist teacher Venerable Geshe Kelsang Gyatso, the Founder of the New Kadampa Tradition - International Kadampa Buddhist Union; and that follow the three New Kadampa Tradition Study Programmes defined in Schedule A; and that are guided by the code of moral discipline called the *Internal Rules of the New Kadampa Tradition - International Kadampa Buddhist Union*".'

In furtherance of the above objects but not further or otherwise the Society shall have the following powers:

- (a) To provide, manage, develop and administer, or otherwise facilitate the provision, management, development and administration of facilities for teaching, study, meditation and the observance of moral discipline all within the tradition of Je Tsongkhapa.
- (b) To organize and support activities including but not limited to meditation courses and retreats and conferences, discussions, lectures, meetings and the reading of papers on matters which may assist in the attainment or advancement of any of the objects of the Society; to conduct correspondence courses.
- (c) To produce, publish, print and distribute, or otherwise facilitate the production, publishing, printing, and distribution of books and other

literature, and the production and distribution of cassettes, recording tapes, video tapes, and other media.

- (d) To authorize the use of the name "The New Kadampa Tradition" by other Societies, publications, teaching programmes, study programmes, meditation programmes, examinations, certifications, Teachers, administrators, and other personnel approved by the Society, and to revoke such authorization at its discretion.
- (e) To buy, take on lease or hiring agreements, or otherwise acquire such land or any other property, real or personal, movable or immovable as may from time to time be required exclusively for the purposes of helping to develop new Societies whose objects are compatible with those of the Society, and to provide endow furnish and fit out buildings and other premises with all necessary furniture and other equipment.

PROVIDED THAT any land or property so acquired is not used by the Society exclusively for its own administrative purposes.

- (f) Subject to any consents as may be required by law, to sell, mortgage, or otherwise dispose of and to grant licences, options, rights and privileges in respect of or otherwise deal with, the property and rights of the Society.
- (g) To construct, develop, alter, maintain, repair and manage any property of the Society.
- (h) Subject to any consents as may be required by law, to borrow and raise funds in any manner which may be considered appropriate by the Committee of Management of the Society and by mortgaging or charging the property of the Society provided that in raising funds the Company shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations.
- (i) To accept subscriptions and donations (whether in cash or kind) and devises and bequests.
- (j) To invest the monies of the Society 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) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- (k) To employ and engage the services of all such officers, employees, servants and advisors not being members of the Committee of Management as may be required for the purposes of the Society.
- (l) To do all or any of the things hereinbefore authorized either alone or in conjunction or cooperation with any other charitable organisation,

institution, society or body whose objects are wholly or in part similar to those of the Society and which by its constitution prohibits the distribution of its income and property amongst its Members to an extent at least as great as is imposed on the Society under or by virtue of Clause 4 of this Memorandum.

- (m) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Society.
- (n) To do all such other lawful things as are necessary for the attainment of the above objects or any of them.

PROVIDED THAT:

- i. In case the Society shall take or hold any property which may be subject to any trusts, the Society shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
 - ii. The Society shall not support with its funds any object or endeavour nor impose on nor procure to be observed by its Members or others, any regulation, restriction or condition which, if an object of the Society, would make it a trade union.
 - iii. In case the Society shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Society 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 Committee of Management of the Society 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 Committee of Management have been if no incorporation had been effected and the incorporation of the Society shall not diminish or impair any control or authority exercisable by the Chancery Division or the Charity Commissioners over such Committee of Management but they shall as regards any such property be subject jointly and separately to such control or authority as if the Society were not incorporated.
- 4 The income and property of the Society shall be applied solely towards the promotion of its objects 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 Members of the Society and no member of the Committee of Management of the Society shall be appointed to any office of the Society paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Society.

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

- (a) of reasonable and proper remuneration to any employee, Member, officer or servant of the Society not being a member of its Committee of Management for any services rendered to the Society;
 - (b) of interest on money lent by any Member of the Society or members of its Committee of Management at a reasonable and proper rate per annum not exceeding 2 per cent less than the published base lending rate of a clearing bank to be selected by the Committee of Management;
 - (c) of reasonable and proper rent for premises demised or let by any Member of the Society or members of its Committee of Management;
 - (d) of fees, remuneration or other benefit in money or money's worth to any company of which a member of the Committee of Management of the Society may also be a member holding not more than 1/100th part of the capital of that company; and
 - (e) to any member of its Committee of Management of reasonable out-of-pocket expenses.
- 5 The liability of the Members is limited.
- 6 Every Member of the Society undertakes to contribute such amount as may be required (not exceeding £1) to the assets of the Society if it should be 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 Society 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.
- 7 If upon the winding up or dissolution of the Society 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 Society, but shall be given or transferred to some other charitable society, institution or organisation having objects wholly similar to the objects of the Society 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 Society under or by virtue of Clause 4 hereof, such society, institution or organisation to be determined by the Members of the Society at or before the time of dissolution and if and so far as effect cannot be given to such provision, then to some other similar charitable object.

SCHEDULE A

The New Kadampa Tradition Study Programmes

The General Programme The purpose of the General Programme shall be to introduce basic Buddhist view, meditation and action, and various other teachings and practices, all within the Buddhist tradition of Je Tsongkhapa, that help the practitioner deepen his knowledge and experience of Buddhism. The Programme shall be generally based on the same commentaries as form the basis of the Foundation Programme and Teacher Training Programme.

The Foundation Programme The purpose of the Foundation Programme shall be to provide a systematic presentation of particular subjects of Mahayana Buddhism to enable students to deepen their knowledge and experience of Buddhism. The Programme shall comprise the following five courses based on Buddha's Sutra teachings and the corresponding commentaries by Geshe Kelsang Gyatso:

- The Stages of the Path to Enlightenment,
based on the commentary *Joyful Path of Good Fortune*;
- Training the Mind based on the commentary *Universal Compassion*;
- The Heart Sutra based on the commentary *Heart of Wisdom*;
- Guide to the Bodhisattva's Way of Life, based on the commentary *Meaningful to Behold*;
- Types of Mind based on the commentary *Understanding the Mind*.

The Teacher Training Programme The purpose of the Teacher Training Programme shall be to provide a more extensive presentation of particular subjects of Mahayana Buddhism to enable students to deepen their knowledge and experience of Buddhism and to train as qualified Buddhist Teachers. The Programme shall comprise the following twelve courses based on Buddha's Sutra and Tantra teachings and the corresponding commentaries by Geshe Kelsang Gyatso:

- The Stages of the Path to Enlightenment,
based on the commentary *Joyful Path of Good Fortune*;
- Training the Mind based on the commentary *Universal Compassion*;
- The Heart Sutra based on the commentary *Heart of Wisdom*;
- Guide to the Bodhisattva's Way of Life, based on the commentary *Meaningful to Behold*;
- Types of Mind based on the commentary *Understanding the Mind*;
- Guide to the Middle Way based on the commentary *Ocean of Nectar*;
- Vajrayana Mahamudra based on the commentary *Clear Light of Bliss*;
- The Bodhisattva's Moral Discipline, based on the commentary *The Bodhisattva Vow*;
- Offering to the Spiritual Guide, based on the commentary *Great Treasury of Merit*;
- Vajrayogini Tantra based on the commentary *Guide to Dakini Land*;
- Grounds and Paths of Secret Mantra,
based on the commentary *Tantric Grounds and Paths*;
- The Practice of Heruka Body Mandala, based on the commentary *Essence of Vajrayana*.

4 A student shall be deemed to have completed the Teacher Training Programme if he or she:

- (a) Has attended the classes related to each of the twelve courses;
- (b) Has memorised all the required points;
- (c) Has passed examinations in all twelve subjects and received a certificate to that effect;
- (d) Has completed the required meditation retreats.

**The Companies Acts 1985 & 1989
Company Limited by Guarantee
and not having a Share Capital**

**Articles of Association
of
THE NEW KADAMPA TRADITION
(As revised 01 February 2005)**

INTERPRETATION

1 In these Articles:

"the Society" means "The New Kadampa Tradition".

"the Act" means the Companies Act 1985 including any statutory amendment thereof or addition thereto.

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

"the Committee" means the Committee of Management for the time being of the Society.

"the Seal" means the Common Seal of the Society.

"Secretary" means any person appointed to perform the duties of the Secretary of the Society.

"the United Kingdom" means Great Britain and Northern Ireland.

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 Society. Words importing the singular number only include the plural number and vice versa, and words importing the masculine gender shall include the feminine gender and vice versa.

GENERAL

- 2** The Members of the Society shall be the original subscribers to the Memorandum and Articles and in addition the Members of the Society shall be limited to all those persons who are appointed as the Spiritual Director or

Resident Teacher of a Buddhist Centre that is authorized by the Society to use the name "The New Kadampa Tradition".

PROVIDED THAT

- i. If a person is appointed as the Spiritual Director or Resident Teacher of such a Buddhist Centre he or she shall automatically become a Member of the Society; and that if a person for whatever reason ceases to be the Spiritual Director or Resident Teacher of such a Buddhist Centre he or she shall automatically cease forthwith to be a Member of the Society, and
 - ii. Notwithstanding the foregoing, the Society may if it considers the conduct of any Member to be injurious to the character or interests of the Society by resolution expel such Member from the Society and thereupon such Member shall cease to be a Member of the Society.
- 3 The Society is established for the purposes expressed in the Memorandum of Association.

GENERAL MEETINGS

- 4 The Society 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 Society and that of the next. Provided that so long as the Society 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 Committee shall appoint.
- 5 All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- 6 The Committee may, whenever they think fit, and they shall upon a requisition made in writing by any 7 or more Members, convene an Extraordinary General Meeting, or, in default, such a meeting may be convened by such requisitionists as is provided in section 368 of the Act. If at any time there are not within the United Kingdom sufficient members of the Committee to form a quorum, any member of the Committee, or not less than 7 Members of the Society, may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by members of the Committee.
- 7 Any requisition made by Members shall be in writing and express the object of the Meeting proposed to be called, and shall be left at the registered office of the Society.

- 8 Upon the receipt of such requisition the Committee shall forthwith proceed to convene a General Meeting; if they do not proceed to convene the same within twenty-one days from the date of the requisition, the requisitionists may themselves convene a meeting.
- 9 At least 21 days before every meeting notice thereof specifying the place, the day, and hour of meeting, and, in case of special business, the general nature of such business, shall be given in manner hereinafter mentioned, or in such other manner, if any, as may be prescribed by the Society in General Meeting to such persons (including the Auditors) as are under these Articles or under the Act entitled to receive such notices from the Society; 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. The accidental omission to give notice of a meeting to or the non-receipt of such notice by any person entitled thereto shall not invalidate the proceedings at any General Meetings.

PROCEEDINGS AT GENERAL MEETINGS

- 10 All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting, with the exception of the consideration of the accounts, balance sheets and the ordinary report of the Committee and the report of the auditors, the election of members of the Committee in the place of those retiring and the appointment and remuneration of the auditors.
- 11 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; one-tenth of the number of Members of the Society for the time being or ten Members present in person shall be a quorum provided that where a resolution is proposed to be put to a vote at a General Meeting and such resolution if passed would result in amendment of the objects Clause 3 in the Society's Memorandum of Association or the amendment of this Article 11, Article 2, Article 18, Article 19, or would result in the amendment of more than one of the aforesaid then the quorum for such Meeting shall be 95% of all of the Members for the time being.
- 12 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 following week at the same time and place, and if at such adjourned meeting a quorum is not present it shall be adjourned sine die.
- 13 The Chairman of the Committee shall preside as Chairman at every General Meeting of the Society.

- 14 If the Chairman of the Committee is not present at the time of holding a meeting, the Members present shall choose some one of their number to be Chairman of such meeting.
- 15 The Chairman may, with the consent of the meeting, adjourn any 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. All Members may attend the adjourned meeting whether or not present at the first meeting.
- 16 At any General Meeting, unless a poll is demanded by the Chairman or by at least two Members present in person a declaration by the Chairman that on a show of hands a resolution has been carried or lost, and an entry to that effect in the book of proceedings of the Society, shall be conclusive evidence of the fact.
- 17 If a poll is demanded in manner aforesaid the same shall be taken at such time and in such manner as the Chairman directs and the result of such poll shall be deemed to be the resolution of the Society in General Meeting, save that a poll demanded on the election of a Chairman or on a question of adjournment shall be taken forthwith. The demand for a poll may be withdrawn. A poll not taken forthwith shall be open to all Members whether or not they were present at the Meeting where the poll was demanded.
- 18 Subject to Article 20 below, every Member shall whether on a poll or on a show of hands and whether present in person or by proxy be entitled to one vote. In the case of an equality of votes on any question the Chairman of the Meeting at or from which the voting takes place shall be entitled to a second or casting vote.
- 19 Notwithstanding any other provision of these Articles or any other regulation of the Society:
 - (a) where a resolution which if passed would result in the amendment of the Objects Clause 3 in the Society's Memorandum of Association then the resolution shall require the approval of at least 95% of all Members of the Society whether on a poll or on a show of hands and whether present in person or by proxy;
 - (b) where a resolution is proposed which if passed would result in the amendment of this Article 19 or Article 2 or Article 11 or Article 18 or the amendment of more than one of the aforesaid then the resolution shall require the approval of at least 95% of all Members of the Society whether on a poll or on a show of hands and whether present in person or by proxy.
- 20 The instrument appointing a proxy shall be in writing under the hand of the appointor. No person shall be appointed a proxy who is not a Member of the Society and qualified to vote. A Member shall not be entitled to appoint more

than one proxy to attend on the same occasion. No person may act as a proxy for more than 3 other Members at a General Meeting.

- 21 The instrument appointing a proxy shall be deposited at the office of the Society not less than forty-eight hours before the time for holding the meeting at which the person named in such instrument proposes to vote, but no instrument appointing a proxy shall be valid after the expiration of three months from the date of its execution.
- 22 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy, provided no intimation in writing of the death, revocation or transfer shall have been received at the office of the Society before the meeting.
- 23 Every instrument of proxy shall be in the form or to the effect following:

THE NEW KADAMPA TRADITION

I, of being a Member of the above-named Society hereby appoint of also a Member of the same Society, as my proxy, to vote for me and on my behalf at the Ordinary (or Extraordinary) General Meeting of the Society to be held on the day of 19 and at any adjournment thereof (or any meeting of the Society that may be held within three months from the date hereof).

As witness my hand this day of 19

Signed by the said

COMMITTEE OF MANAGEMENT

- 24 (a) The management of the Society shall be entrusted to a Committee of Management which shall normally consist of a maximum of four persons but never less than three persons, all of whom shall be chosen from among those persons who are appointed as the Administrative Director of Buddhist Centres that are authorized to use the name "The New Kadampa Tradition".
- (b) The office of a Member of the Committee shall be vacated:
 - i. If he becomes bankrupt or a receiving order is made against him or he makes any arrangement or composition with his creditors; or
 - ii. If he is or may be suffering from mental disorder and either: -
 - (A) he is admitted to a hospital in pursuance of an application for admission under the Mental Health Act 1983 or, in Scotland,

- an application for admission under the Mental Health (Scotland) Act 1960, 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 of his property or affairs; or
 - iii. If by notice in writing to the Society he resigns his office; or
 - iv. If he becomes prohibited by law from holding office, or he ceases to be a member of the Committee by virtue of any provision of the Act; or
 - v. If he is removed from office by a resolution duly passed pursuant to Section 303 of the Companies Act 1985;
- (c) At each Annual General Meeting of the Society one of the members of the Committee of Management then in office shall retire from office. The member so to retire shall be the one who has been longest in office and as between those of the same length of service (unless otherwise agreed between themselves) the member so to retire shall be determined by lot, but every retiring member shall be eligible for re-election.
- (d) Every candidate for election to the Committee must have indicated his willingness to serve and shall be nominated by two Members of the Society and no Member shall take part in the nomination of more than one candidate. Nominations shall be made in writing and shall be forwarded to the Secretary at least 14 days before the date of the Annual General Meeting and if the number of nominations shall exceed the number of vacancies a list of the persons so nominated with the names of their nominators shall be sent by the Secretary to each Member not less than 7 days before the date of the Annual General Meeting. The election of the persons so nominated shall be determined at the Annual General Meeting by a ballot conducted at such Meeting in such manner as the Chairman of the Meeting may decide.
- (e) If there shall be fewer candidates nominated and willing to serve than vacancies, then the vacancies may be filled up by the Committee by electing such eligible persons as the Committee think fit and any person so elected shall be deemed for all purposes to have been elected by the Society in General Meeting.
- (f) Casual vacancies by death or resignation or otherwise caused by the operation of the Articles of Association may also be filled up by the Committee; the persons so elected by the Committee shall retire at the time of the next Annual General Meeting.

- (g) No member of the Committee shall retire merely by reason of the attainment by him of any particular age and the provisions of Section 293 of the Act shall accordingly not apply to the Society.
 - (h) Until the first Annual General Meeting the Committee shall consist of the persons named in the Statement delivered under Section 10(2) of the Act.
- 25 At their first meeting after the Annual General Meeting in each year the Committee shall out of their members appoint a Chairman and an Honorary Treasurer each to hold office for the year ensuing, and if they so think fit may similarly appoint an Honorary Secretary to act in support of the Company Secretary mentioned in Article 29(e) hereof, subject to the conditions surrounding such appointment.
- 26 The Committee shall meet for the transaction of business at such time and place as they may appoint, and shall hold a special meeting whenever required by the Chairman or any two members of the Committee. The quorum at every meeting of the Committee shall be not less than three provided that, if at any time their number is reduced below three by death, retirement or otherwise, the continuing members or member of the Committee shall act without the necessary quorum only for the purposes of filling up vacancies or of calling a General Meeting until there are at least sufficient members of the Committee to comply with these Articles. It shall not be necessary to give notice of a meeting to a member of the Committee of Management who is absent from the United Kingdom. Questions arising at a meeting of the Committee of Management shall be decided by a simple majority of the members of the Committee present and voting with the Chairman having a casting vote in the event of an equality of votes.
- 27 A resolution in writing signed by all the members of the Committee of Management entitled to receive such notice of a meeting of the Committee of Management shall be as valid and effectual as if it had been passed at a meeting of the Committee of Management duly convened and held and may consist of several documents in like form each signed by one or more members of the Committee of Management.
- 28 The Committee may delegate any of their powers to Sub-committees consisting of such members of their body and for such special purposes as they shall from time to time think fit with power at any time to revoke such delegation. Any Sub-committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Committee and shall report all acts and proceedings to the Committee as soon as reasonably practicable. The meetings and proceedings of any Sub-committee consisting of two or more members shall be governed by the provisions of the Articles for regulating the meetings and proceedings of the Committee so far as the same are applicable and are not superseded by any special regulation made by the Committee hereunder.

POWERS OF THE COMMITTEE

- 29 In addition to the powers and authorities by the Articles expressly conferred upon them the Committee may exercise all such powers and do all such acts and things as may be exercised or done by the Society, and are not hereby or by statute expressly directed or required to be exercised or done by the Society in General Meeting. In particular but without limiting in any way the generality of the foregoing:
- (a) They may pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Society.
 - (b) They may purchase, take on lease or hire or otherwise acquire any lands, buildings or other real and personal estate for the purpose of the Society.
 - (c) They may from time to time, subject to such consents as may be required by law, mortgage, sell, lease, underlease or otherwise deal with and dispose of the real and personal property of the Society and in particular, may enter into any contract on such terms and conditions as they think fit.
 - (d) They may secure the fulfilment of any contracts or engagements entered into by the Society by mortgage or charge of the property of the Society or in such other manner as they think fit.
 - (e) Subject initially to Section 10 of the Act, they may appoint the Company Secretary for such time, at such remuneration consistent with the provisions of Clause 4 of the Memorandum of Association and upon such conditions otherwise 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; and in this connection in case there be no Secretary or no Secretary capable of acting, they may from time to time by resolution appoint an assistant as deputy Secretary with authority to act in his place.
 - (f) Subject to the provisions of Clause 4 of the Memorandum of Association, they may also appoint, and at their discretion remove or suspend such administrative directors, officers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and may determine their duties, and fix their salaries, wages or emoluments, and may require security in such instances and to such amount as they think fit.
 - (g) They may appoint any person or persons to accept and hold in trust for the Society any property belonging to the Society, or in which it is interested, and may execute and do all such deeds and things as may be requisite to vest the same in such person or persons.

- (h) They may institute, conduct, defend, compound or abandon any legal proceedings by and against the Society, or its officers, or otherwise concerning the affairs of the Society, and also may compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Society.
- (i) They may refer any claims or demands by or against the Society to arbitration, and observe and perform the awards.
- (j) They may make and give receipts, releases and other discharges for money payable to the Society and for the claims and demands of the Society.
- (k) They may act on behalf of the Society in all matters relating to bankrupts or the winding up of Companies.
- (l) Subject as in the Memorandum of Association provided, they may invest any of the monies of the Society not immediately required for the purposes thereof upon such securities and in such manner as they think fit, and they may, from time to time vary or realise such investments.
- (m) They may determine who shall sign cheques, accept, endorse and execute negotiable instruments on behalf of the Society provided that all cheques drawn on the Company's account or accounts shall be signed by at least two members of the Committee .
- (n) They may set aside out of the income of the Society such sum as they think proper as a reserve fund to meet contingencies, or for repairing, improving and maintaining any of the property of the Society, and for such other purposes as the Committee in their absolute discretion think conducive to the interests of the Society; and they may invest the several sums so set aside upon such investments as they think fit, and may from time to time deal with and vary such investments, and dispose of all or any part thereof for the benefit of the Society, and they may divide the reserve fund into such special funds as they think fit.
- (o) They may from time to time, make, vary and repeal by-laws consistent with the Memorandum and Articles of Association of the Society for the regulation of the business of the Society, its officers and servants, or the Members of the Society or any section thereof.
- (p) They may enter into all such negotiations and contracts, and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Society as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Society.

- (q) They may, from time to time, subject to such consents as may be required by law, but otherwise at their discretion, borrow from the Committee, Members or other persons, any sum or sums of money for the purposes of the Society. The Committee may raise or secure the repayment of such monies in such manner, and subject to the provisions of Clause 4 of the Memorandum of Association upon such terms and conditions in all respects as they think fit;
- (r) All acts done by any member of the Committee shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member or that he was disqualified, be as valid as if he had been duly appointed and was qualified to be a member of the Committee.

MINUTES

- 30 The Committee shall cause Minutes to be made in books provided for the purpose:
 - (a) of all appointments of officers made by the Committee;
 - (b) of the names of the members of the Committee present at each meeting of the Committee;
 - (c) of all resolutions and proceedings at all meetings of the Society and of the Committee.

ACCOUNTS

- 31 The Committee shall cause accounting records to be kept in accordance with Sections 221 and 222 of the Act.
- 32 The accounting records shall be kept at the office of the Society or subject to Section 222 of the Act at such other place or places as the Committee thinks fit, and shall always be open to the inspection of the members of the Committee.
- 33 The Committee shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Society or any of them shall be open to the inspection of Members and no Member shall have any right of inspecting any account or book or document of the Society except as conferred by statute or authorised by the members of the Committee or by the Society in general meeting.
- 34 The Committee shall from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid before the Society in General Meeting the Society's Annual Accounts, Directors' and Auditors' Reports as are referred to in the Act.
- 35 A copy of the Society's Annual Accounts together with a copy of, if required by law, the Auditors Report thereon and the Report of the Committee for that financial year shall not less than twenty-one days before the date of the meeting

at which copies of those documents are to be laid in accordance with section 241 of the Act be sent to every Member of, and every holder of debentures of the Society, and to the Auditors and every other person who is entitled to receive notice of meetings. Provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the Society is not aware nor to more than one of the joint holders of any debentures.

AUDIT

- 36 Auditors shall be appointed, if required by law, and their duties regulated in accordance with the provisions of the Act, the members of the Committee being the Directors mentioned in that Act. However, if 10% or more of the Members request an audit and any banks who have made loans to the Society insist on an audit then this request will be fulfilled and deposited with the appropriate organisations.

If the Society is not required by law to submit an audit it will still prepare annual accounts as aforementioned.

NOTICES

- 37 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 Committee of Management or the Administration need not be in writing. A notice may be served by the Society upon any Member whose registered postal address for service as appearing on the Register of Members is in the United Kingdom, either personally or by sending it through the post to him at that address in a pre-paid letter. A notice may also be served by the Society upon any Member whose registered e-mail address for service as appearing on the Register of Members by sending it electronically by "e-mail" at the address. A Member present either in person or by proxy at any meeting of the Society shall be deemed to have received notice of the meeting and where requisite of the purposes for which it was called.

THE SEAL

- 38 The Committee shall provide for the safe custody of the Seal which shall only be used by the authority of the Committee and every instrument to which the Seal shall be affixed shall be signed by two members of the Committee or by some other person appointed by the Committee for that purpose.

INDEMNITY

- 39 Subject to Clause 4 of the Memorandum each member of the Committee and any officer or servant of the Society shall be indemnified by the Society against, and it shall be the duty of the Committee out of the funds of the Society to pay all costs, losses and expenses which any such officer or servant may incur or become liable for by reason of any contract entered into, or act or thing done by

him as such officer or servant, or in any way in the proper discharge of his duties, including travelling expenses; and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Society, and have priority as between the Members over all other claims.

- 40 No member of the Committee or other officer of the Society shall be liable for the acts, receipts, neglects or defaults of any other member of the Committee or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Society through the insufficiency or deficiency of title to any property acquired by order of the Committee for or on behalf of the Society, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Society shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his respective office or in relation thereto, unless the same happen through his own wilful default.

PROVIDED THAT nothing in this or the last preceding Article shall be construed as exempting any officer of the Society or any person employed by the Society as Auditor from, or indemnifying him against, any other liability than is covered by paragraph (b) of Section 310 (3) of the Act which, by virtue of any rule of law, would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to the Society.

WINDING UP

- 41 The Society shall be wound up voluntarily whenever a Special Resolution is passed requiring the Society to be wound up. In such event, or in the event that the Society is compulsorily wound up or dissolved, Clause 7 of the Memorandum of Association shall have effect as if the provisions thereof were repeated in these Articles.

rev.01feb05