

No: 3182660

The Companies Acts 1985 - 1989

Company Limited by Guarantee and Not Having a Share Capital



MEMORANDUM OF ASSOCIATION

of

DERWENT VALLEY TRUST

(As amended by Special Resolution passed 30th July 1996, 8th November 1996,
11th March 1998, 15th September 1998, 7th June 2000 and 14th November 2001)

Incorporated the 3rd day of April 1996

ROBINSONS SOLICITORS
83 FRIAR GATE
DERBY

The Companies Acts 1985 to 1989

Company Limited by Guarantee and Not Having a Share Capital

MEMORANDUM OF ASSOCIATION

of

DERWENT VALLEY TRUST

- 1 The name of the company (hereinafter called 'the Company') is **Derwent Valley Trust**
- 2 The registered office of the Company will be situated in England and Wales.
- 3 The objects, but only to the extent to which they are charitable, for which the Company is established are:

to identify, preserve and enhance for the public benefit the area comprising the Derwent Valley in Derbyshire and the abutment area ("the area of benefit") and whatever natural, historical, cultural, geological, architectural and constructional heritage may exist in the area of benefit; to stimulate the public interest of people of all ages and ethnic groups in the area of benefit; to secure the preservation, protection, repair, development and improvement of features of natural, historical, cultural, geological, architectural, constructional or public interest in the area of benefit for the public benefit; to raise public awareness in respect of the area of benefit; to advance education of the public by developing an integrated network of facilities to assist the public in understanding and interpreting the area of benefit

And the Company shall have the following powers exercisable in furtherance of its said objects but not otherwise, namely:

- 3.1 to purchase, take on lease, or in exchange, hire or otherwise acquire real or personal property and rights or privileges, and to construct, maintain and alter buildings or erections;
- 3.2 subject to any consents required by law to sell, let or mortgage, dispose of or turn to account all or any of the property or assets of the Company;
- 3.3 to purchase or otherwise acquire plant and machinery including computer hardware and software, furniture, fixtures, fittings and all other effects of every description and to apply for registration of any patents, rights, copyrights, licences and the like;

- 3.4 to subscribe, underwrite, purchase or otherwise acquire and to hold, dispose of and deal with, any shares or other securities or investments of any nature whatsoever and any options or rights in respect thereof or interest therein
- 3.5 to establish, finance and manage in the United Kingdom any body, association or organisation (whether incorporated or unincorporated)
- 3.6 to borrow or raise money on such terms and on such security as may be thought fit with such consents as are required by law Provided that the Company shall not undertake any permanent trading activities in raising funds for the objects of the Company
- 3.7 to take and accept any gift of money, property or other assets whether subject to any special trust or not;
- 3.8 to issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Company in the shape of donations, subscriptions or otherwise;
- 3.9 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts;
- 3.10 to invest moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law;
- 3.11 to make any donations in cash or assets or establish or support or aid in the establishment or support of and to lend money (with or without security) to or for any charitable associations or institutions;
- 3.12 to undertake and execute charitable trusts;
- 3.13 to engage and pay any person or persons not being a Director whether on a full-time or part-time basis or whether as consultant or employee to supervise, organise, carry on the work of and advise the Company and, subject to the provisions of clause 4 hereof, to make any reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees or former employees and their wives, husbands and other dependants;
- 3.14 to amalgamate with any companies, institutions, societies or associations which shall be charitable by law and have objects altogether or mainly similar to those of the Company and prohibit payment of any dividend or profit to and the distribution of any of their assets among their members at least to the same extent as such payments or distributions are prohibited in the case of members of the Company by this Memorandum of Association;
- 3.15 to pay out of funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
- 3.16 to enter into any arrangement with the European Union or any supra national or international body or any Government authority, supreme, dependant, municipal, local or

otherwise, and to obtain from the European Union or any such supra national or international body or any such Government authority any rights, concessions, privileges and permissions (including Planning Permissions) that may seem conducive to the Company's objects or any of them;

3.17 to cause to be written and printed or otherwise reproduced and circulated, gratuitously or otherwise, periodicals, magazines, books, leaflets or other documents or films or recorded tapes;

3.18 to carry on any other activity which may seem to the Company capable of being conveniently carried on in connection with any activity which the Company is authorised to carry on or may seem to the Company calculated directly or indirectly to benefit the Company or to enhance the value of or render profitable any of the Company's properties or rights;

3.19 to take such steps by personal or written appeals or otherwise as may from time to time be necessary for the purpose of procuring contributions to the funds of the Company in the shape of grants, donations, subscriptions, annual payments or otherwise;

3.20 to enter into partnership or into any arrangement for joint, shared or mutual promotion, investment or development, union of interests, reciprocal concession or co-operation with any person, partnership or company carrying on, engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as to directly or indirectly further the objects of the Company or any of them and to take or otherwise acquire and hold shares or stock in any securities of and to make grants to or otherwise assist any person, partnership or company and to sell, hold, re-issue with or without guarantee or otherwise deal with such shares, stocks or securities;

3.21 to provide indemnity insurance to cover the liability of the directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Company Provided that any such insurance shall not extend to any claim arising from any act or omission which the directors knew to be a breach of trust or breach of duty or which was committed by the directors in reckless disregard of whether it was a breach of trust or breach of duty or not Provided Also that any such insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against the directors in their capacity as directors of the Company

3.22 to do all such other lawful and charitable things as shall further the attainment of the objects of the Company or any of them.

Provided that:

3.22.1 In case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts;

3.22.2 The Company's objects shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers;

3.22.3 In case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Company shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the directors of the Company shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own acts, receipts, neglects, and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such directors have been if no incorporation had been effected, and the incorporation of the Company shall not diminish or impair any control or authority exercisable by the Chancery Division or the Charity Commissioners over such directors but they shall as regards any such property be subject jointly and separately to such control or authority as if the Company were not incorporated.

4 The income and property of the Company 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 Company and no director of the Company shall be appointed to any office of the Company paid by salary or fees, or receive any remuneration or other benefit in money or money's worth from the Company.

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

4.1 of the usual professional charges for business done by any director who is a solicitor, accountant, or other person engaged in a profession or by any partner of his or hers, when instructed by the Company to act in a professional capacity on its behalf; provided that at no time shall a majority of the directors benefit under this provision and that a director shall withdraw from any meeting at which his or her appointment or remuneration or that of his or her partner, is under discussion;

4.2 of reasonable and proper remuneration to any member, officer or servant of the Company (not being a director) for any services rendered to the Company and of travelling expenses necessarily incurred in carrying out the duties of any member, officer or servant of the Company;

4.3 of interest on money lent by a member or director of the Company at a rate per annum not exceeding two percentage points less than the base lending rate for the time being of the Company's clearing bankers;

4.4 to any director of reasonable out-of-pocket expenses;

4.5 of fees, remuneration or other benefit in money or money's worth to a company of which a member of the Company or a director may be a member holding not more than one hundredth part of the capital of such Company;

4.6 of reasonable and proper rent for premises demised or let by any member of the Company or any director.

4.7 of any premium in respect of any indemnity insurance to cover the liability of the

directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Company Provided that any such insurance shall not extend to any claim arising from any act or omission which the directors knew to be a breach of trust or breach of duty or which was committed by the directors in reckless disregard of whether it was a breach of trust or breach of duty or not Provided Also that any such insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against the directors in their capacity as directors of the Company

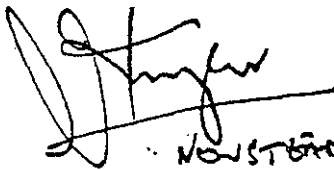

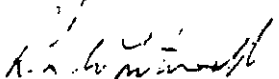
5 The liability of the members is limited.

6 Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.

7 If upon the winding up or dissolution of the Company 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 Company, but shall be given or transferred to some other charitable body or bodies having objects similar to the objects of the Company, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of clause 4 hereof, such body or bodies to be determined by the members of the Company at or before the time of dissolution, and if so far as effect cannot be given to such provision, then to some other charitable body.

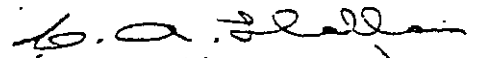
WE the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Company.

Names, addresses, and descriptions of subscribers

1.  GRAHAM KNIGHT
HOUSTON HOUSE 1 HATFIELD ROAD
SHEFFIELD NOTTINGHAM N45 2QW.
2.  - MARION NIXON
36 CHURCH STREET, APPLEBY MAGNA,
SWADLINCOTE, DERBYSHIRE, DE12 7BB
LOCAL GOVERNMENT TOURISM OFFICE
3.  REGINALD WHITWORTH
TRESCO, GOLDHILL, THNSLEY
DERBYS. DE4 5FS
LOCAL GOVERNMENT OFFICE

Dated 25 March 1996

Witness to Subscribers:

Signature: 
(C. A. HALLAM)

Address: 83 FRIAR GATE DERBY DE1 1FL

Occupation: Chartered Secretary

No : 3182660

The Companies Acts 1985 - 1989

Company Limited By Guarantee And Not Having A Share Capital

ARTICLES OF ASSOCIATION

of

DERWENT VALLEY TRUST

(As amended by Special Resolution passed
30th July 1996, 8th November 1996,
11th March 1998, 15th September 1998,
7th June 2000 and 14th November 2001)

Incorporated on the 3rd day of April 1996

The Companies Acts 1985 to 1989
Company Limited by Guarantee and Not Having a Share Capital

ARTICLES OF ASSOCIATION

of

DERWENT VALLEY TRUST

(as amended by Special Resolution passed 30th July 1996,
8th November 1996, 11th March 1998, and 15th September 1998)

Interpretation

1 In these Articles:

'THE ACT' means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force

'THE ARTICLES' means these Articles of Association of the Company

'THE BOARD' the Board of Directors of the Company

'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

'CORPORATION' includes without limitation any body corporate and any Local Authority

'COUNCIL' the Consultative Council established under Article 64

'DIRECTOR' a Member of the Board or a Director as defined in the Act

'EXECUTED' includes any mode of execution

'LOCAL AUTHORITY' means a Local Authority within the meaning of Section 67(3) of the Local Government and Housing Act 1989

'OFFICE' means the registered office of the Company

'PROPER OFFICER' means such person as is a proper officer within the meaning of Section 270(3) of the Local Government Act 1972

'REPRESENTATIVE BODIES' such bodies which for the time being have (pursuant to Articles 64.2.2, 64.2.3, 64.2.4, 64.2.5 or 64.2.6) been granted representation on the Council

'THE SEAL' means the common seal of the Company

'SECRETARY' means either of the two Secretaries of the Company appointed by the Directors, whether acting alone or jointly or any other person appointed to perform the duties of Secretary of the Company, including any assistant or deputy Secretary

'THE UNITED KINGDOM' means Great Britain and Northern Ireland Unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company.

Words importing the singular number shall include the plural number and vice versa, words importing one gender shall include all genders, persons shall include corporations, and the headings are inserted for convenience only and shall not affect the construction of these Articles.

Members

2.1 The subscribers to the Memorandum of Association of the Company and such other persons as are admitted to membership in accordance with the Articles shall be members of the Company. No person shall be admitted a member of the Company unless he is approved by the directors. Every person who wishes to become a member shall deliver to the Company an application for membership in such form as the directors require executed by him.

2.2 For the purpose of registration, the number of Members is declared to be unlimited.

2.3 The number of Local Authority members shall not at any time exceed Nineteen (19) per cent of the membership for the time being

3 A member may at any time withdraw from the Company by giving at least 7 clear days' notice to the Company. Membership shall not be transferable and shall cease on death.

4 The directors may also at their discretion terminate the membership of any member but the requirements of natural justice shall be respected and a member shall be entitled to be heard in his own defence by the directors or a committee of the directors.

5 The Company is established for the purposes expressed in the Memorandum of Association.

Friends, Associates, President

6 It shall be lawful for the directors to provide for the admission of such persons as they

may think fit to be friends or associates of the Company and for the constitution of and the rights duties and liabilities (if any) of such friends or associates but so that such persons shall not by virtue of being friends or associates as aforesaid be members of the Company and their rights (if any) shall not include a right to speak or vote at general meetings of the Company. The Secretary shall keep an accurate register of such friends or associates of the Company.

7 The directors may appoint any person to be the President and any person or persons to be Vice Presidents of the Company for such term or terms as the directors may from time to time decide. Such persons shall not by virtue only of such appointments be directors or members of the Company and shall not have any right to receive notice of or attend Directors Meetings or General Meetings of the Company.

General meetings

8 The Company shall in each calendar 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 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. Provided that so long as the Company holds its first annual general meeting within 18 months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting in each year shall be held at such time and place as the directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

9 The directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than 8 weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any member of the Company may call a general meeting.

Notice of general meetings

10 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least 21 Clear Days' notice. All other extraordinary general meetings shall be called by at least 14 Clear Days' notice but a general meeting may be called by shorter notice if it is so agreed:

- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95 per cent of the total voting rights at the meeting of all the members.

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

The notice shall be given to all the members and to the directors and auditors.

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

Proceedings at general meetings

12 No business shall be transacted at any meeting unless a quorum is present. One third of the persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a Corporation, shall be a quorum.

13 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other time as the directors may determine.

14 The chairman, if any, of the board of directors or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within 15 minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.

15 If no director is willing to act as chairman, or if no director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
be entitled to attend and speak at any general meeting.

16 The chairman may, with the consent of a 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 an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 days or more, at least 7 Clear Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

17 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:

- (a) by the chairman; or
- (b) by at least two members having the right to vote at the meeting; or
- (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

18 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular

majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

19 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

20 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

21 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

22 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such other time and place as the chairman directs not being more than 30 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

23 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

24 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

Votes of members

25 On a show of hands every member who (being an individual) is present in person or (being a Corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote. On a poll every member present in person or by proxy or by corporate representative shall have one vote.

26 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be

exercisable.

27 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

28 An instrument appointing a proxy shall be in writing, Executed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

I/We of

being a member/members of the above-named Company, hereby appoint

of or failing him

of

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Company to be held on 19 and at any adjournment thereof.

Signed on 19 .

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

I/We of

being a member/members of the above-named Company, hereby appoint

of or failing him

of

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Company, to be held on 19 , and at an adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No 1 +for +against

Resolution No 2 +for +against

+ strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this day of 19 .

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

- (a) be deposited at the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any director;

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

31.1 In the case of a Corporation, a director or its secretary is deemed to be a duly authorised representative for the purpose of Section 375 of the Act.

31.2 In the case of a Local Authority a Proper Officer is deemed to be a duly authorised representative for the purpose of Section 375 of the Act.

31.3 In the case of any unincorporated body its Chairman or its Secretary is deemed to be a duly authorised representative for the purpose of Section 375 of the Act.

31.4 A vote given or poll demanded by proxy or by the duly authorised representative of a Corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

Number of directors

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

32.2 The minimum number of directors shall not be less than three; there shall be no upper

limit to the number of directors

32.3 The number of directors who during their term of office as directors are either employed by a Local Authority or are otherwise a representative of a Local Authority, shall not exceed Nineteen (19) per cent of the number of directors for the time being

32.5 At the first directors meeting the Directors shall:

32.5.1 co-opt such other persons to the Board as the directors may decide

32.5.2 appoint one of their number to be the first Chairman of the Company, and

32.5.3 so far as applications have been received appoint persons to the Council in accordance with the provisions of Article 64

32.4 The Directors shall in their discretion and so far as is reasonably practicable ensure that the Board is comprised of persons representing the interests of Local Authorities, Industry and Commerce, other charitable bodies in the area of benefit (as defined in the Memorandum of Association), the Members of the Company and other bodies having a sector of interest in the area of benefit

Powers of directors

33.1 Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may

exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

33.2 In addition to all powers hereby expressly conferred upon them and without detracting from the generality of the powers under the Articles the Directors shall have the following powers, namely:

- (a) to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of the objects and to invest in the name of the Company such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to extend the proceeds of any such sale in furtherance of the objects of the Company;
- (b) to enter into contracts on behalf of the Company
- (c) to bring before any general meeting any matters which they consider material to the objects of the Company and make any recommendation they consider relevant with regard to the Company

- (d) to take cognisance of any matter which may be brought before them affecting the Company or any of its Members
- (e) to take cognisance of any matter the subject of resolution by the Consultative Council including without limitation representations as to whom should be considered for appointment as a Director of the Company.

34 The Board may make such Bye-Laws as may be necessary for regulating the nomination, election and retirement of Directors, the orderly and efficient conduct of its own proceedings and of the proceedings of general meetings of the Company, the appointment of its own meetings, the property supervision and use of funds of the Company and the regulation of the Board and the Committees and affairs of the Company provided they be not repugnant to or inconsistent with the terms of these Articles. The Board may at any time and from time to time revoke or alter any of the said Bye-Laws Provided that this shall not authorise the making, revoking or altering of any Bye-Laws without a Special Resolution if it would amount to such an alteration of or addition to the Articles as could not otherwise be made without Special Resolution.

35 The directors may by Board resolution delegate any of their powers to any committee consisting of two or more directors and at least one other person. They may also by Board resolution delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.

Appointment and retirement of directors

36 At the first annual general meeting all the directors shall retire from office, and at every subsequent annual general meeting one-third of the directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office, but, if there is only one director who is subject to retirement by rotation, he shall retire.

37 Subject to the provisions of the Act, the directors to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment but as between persons who became or were last re-appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

38 If the Company, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the director is put to the meeting and lost.

39 No person other than a director retiring by rotation shall be appointed or re-appointed a

director at any general meeting unless:

- (a) he is recommended by the directors; or
- (b) not less than 14 nor more than 35 Clear Days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re-appointment stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors together with notice executed by that person of his willingness to be appointed or re-appointed.

40 Not less than 7 nor more than 28 Clear Days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or re-appointment as a director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or re-appointment as a director. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Company's register of directors.

41 Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.

42 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with the Articles as the maximum number of directors. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not re-appointed at such annual general meeting, he shall vacate his office at the conclusion thereof.

43 Subject as aforesaid, a director who retires at an annual general meeting may, if willing to act, be re-appointed. If he is not re-appointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

Disqualification and removal of directors

44 The office of a director shall be vacated if:

- (a) he ceases to be a director by virtue of any provision of the Act or is disqualified from acting as a director by virtue of Section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision); 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 (but only if at least two directors will remain in office when the notice of resignation is to take effect); or
- (e) he shall for more than 6 consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.

Remuneration of directors

45 The provisions of the Memorandum of Association as to the remuneration of directors shall apply.

Directors' expenses

46 The directors may be paid all reasonable travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committee of directors or general meetings or separate meetings of the holders of debentures of the Company or otherwise in connection with the discharge of their duties but shall otherwise be paid no remuneration.

Directors' appointments and interests

47 Subject to the provisions of the Act and of the Memorandum of Association, the directors may appoint one or more of their number to the unremunerated office of managing director or to any other unremunerated executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any appointment of a director to an executive office shall terminate if he ceases to be a director.

48 Except to the extent permitted by Clause 4 of the Memorandum no director shall take or hold any interest in property belonging to the Company or receive remuneration or be interested otherwise than as a director in any other contract to which the Company is a party.

49 For the purposes of regulation 48:

- (a) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction

of the nature and extent so specified; and

- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

Proceedings of directors

50 Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the Secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

51 The quorum for the transaction of the business of the directors shall be two.

52 The directors may from time to time appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within 5 minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

53 Subject always to Article 52, the Chairman shall hold office until the close of the Annual General Meeting next following his appointment. At the first directors' meeting to be held after the Annual General Meeting in each year the Board shall appoint one of their number to be Chairman as provided in Article 52. A retiring Chairman may be re-elected Chairman with the approval of the Board.

54 All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

55 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors as (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors.

56 Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:

- (a) the resolution relates to the giving to him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the

Company or any of its subsidiaries;

- (b) the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any debentures of the Company or any of its subsidiaries or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such debentures by the Company or any of its subsidiaries for subscription, purchase or exchange;
- (d) the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the Board of Inland Revenue for taxation purposes.

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

57 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

58 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

59 Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

60 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

Secretary

61 Subject to the provisions of the Act, the directors shall appoint two joint Secretaries of the Company for such term, at such remuneration and upon such conditions as they may think fit; and any Secretaries so appointed may be removed by them.

Minutes

62 The directors shall cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the directors; and
- (b) of all proceedings at meetings of the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

The seal

63 The Seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a director and by the Secretary or by two directors.

Consultative Council

64 64.1 There shall be established the Council which shall have the following powers:

64.1.1 the right to be consulted and kept informed by the Board at meetings of the Council on:

- 64.1.1.1 the Company's business plans;
- 64.1.1.2 the progress towards the attainment of the objectives set forth in those plans;
- 64.1.1.3 significant developments or anticipated developments regarding the affairs of the Company;
- 64.1.1.4 the manner in which the Board took cognisance of any matter referred to it in accordance with Article 64.1.2;

64.1.2 the right to refer any resolution of the Council to the Board (which the Board may take cognisance of under Article 33.2);

64.2 The Council shall consist of:

64.2.1 the Chairman and Chief Executive Officer (or by whatever equivalent title such person is known) of the Company (from time to time);

64.2.2 such persons (if any, and not exceeding one representative per body) as may be appointed by each of:-

Derby City Council
Amber Valley Borough Council
Derbyshire County Council

Derbyshire Dales District Council
South Derbyshire District Council
Association of Local Councils
Peak District National Park Authority

- 64.2.3 such persons being Members or duly authorised representatives of Members of the Company elected by the Company in general meeting.
- 64.2.4 up to 7 persons being duly authorised representatives of Representative Bodies carrying on as charitable organisations and/or trusts for natural, architectural, historical, cultural, geological, industrial and amenity aspects
- 64.2.5 up to 7 persons being duly authorised representatives of Representative Bodies for industry and commerce
- 64.2.6 up to 7 persons being duly authorised representatives of Representative Bodies of Government Agencies, Landowners and other cultural, geological and community organisations
- 64.3 As soon as is reasonably practicable following the incorporation of the Company the Board shall appoint the Members of the Council
- 64.4.1 Members of the Council shall not be required to retire by rotation but shall remain on the Council until removed pursuant to the provisions hereinafter contained.
- 64.4.2 Any Member of Council (other than an alternate Member of Council) may appoint any other Member of Council, or any other person approved by Resolution of the Council and willing to act, to be an alternate Member of Council and may remove from office an alternate Member of Council so appointed by him.
- 64.4.3 An alternate Member of Council shall be entitled to receive notice of all meetings of the Council and of all meetings of Committees of Members of Council of which his appointor is a Member, to attend and vote at any such meeting at which the Member of Council appointing him is not personally present, and generally to perform all the functions of his appointor as a Member of Council in his absence. It shall not be necessary to give notice of such a meeting to an alternate Member of Council who is absent from the United Kingdom.
- 64.4.4 An alternate Member of Council shall cease to be an alternate Member of Council if his appointor ceases to be a Member of Council; but if a Member of Council retires by rotation or otherwise, but is re-appointed or deemed to have been re-appointed at the meeting at which he retires, any appointment of an alternate Member of Council made by him, which was in force immediately prior to his retirement, shall continue after his re-appointment.

- 64.4.5 Any appointment or removal of an alternate Member of Council shall be by notice to the Company signed by the Member of Council making or revoking the appointment or in any other manner approved by the Council
- 64.4.6 Save as otherwise provided in the Articles an alternate Member of Council shall alone be responsible for his own acts and defaults and shall not be deemed to be the agent of the Member of Council appointing him.
- 64.5.1 If any Member of the Council or the Member of the Company of which he is the duly authorised representative shall cease to be a Member of the Company for whatever reason, he shall automatically cease to be a Member of the Council
- 64.5.2 If any Representative Body shall cease to be a Representative Body for whatever reason, any Member of Council appointed by such Representative Body shall automatically cease to be a Member of the Council
- 64.6 If the Chief Executive Officer (or by whatever title known) ceases to be an employee of the Company for whatever reason, then he shall immediately cease to be a Member of the Council.
- 64.7 Persons shall cease to be a Member of the Council if:-
- 64.7.1 he becomes prohibited by law from being a Director of a Company; or
- 64.7.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 64.7.3 he becomes of unsound mind; or
- 64.7.4 he, or the Member of the Company of which he is the duly authorised representative, resigns as a Member by notice in writing to the Company; or
- 64.7.5 he, or the Representative Body of which he is the duly authorised representative, resigns from the Council by notice in writing to the Company; or
- 64.7.6 he is removed by notice in writing by the Representative Body of which he is the duly authorised representative, such removal to take effect at the time written notice thereof is received by the Company; or
- 64.7.7 he shall for more than twelve consecutive months have been absent without due cause of the Council from two Meetings of the Council held during that period and the Council resolves that his office be vacated.
- 64.8 The Council shall meet from time to time

- 64.9 The questions arising at a meeting shall be decided by a vote of Members. In the case of an equality of votes the Chairman shall have a second or casting vote.
- 64.10 The quorum for any meeting of the Council shall be those members present at the time the meeting proceeds to business;
- 64.11 The Chairman of the Company shall be the Chairman of the Council. In his absence at any meeting or if he is unwilling to act as Chairman, then the meeting shall elect its own Chairman.
- 64.12 By requisition in writing from not fewer than three Members of the Council, the Secretary shall call a meeting of the Council giving not less than seven days' notice; the object of such a meeting shall be stated in the requisition and notice. The Chairman may convene a meeting of the Council at any time on his own authority.
- 64.13 For the avoidance of doubt no decision, resolution or direction of the Council will have any binding effect on the Company whatsoever and (without prejudice to the powers of any Director of the Company who is also a Member of the Council) neither the Council nor any individual member of it will have any authority to commit the Company to any binding obligations with any third party
- 64.14 All proceedings of the Council and their relations to and connections with the Board shall be regulated by Bye-Laws to be approved, amended and rescinded from time to time by the Board.

Accounts, Annual Report and Annual Return

- 65.1 No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.
- 65.2 Accounts shall be prepared in accordance with the provisions of Part VII of the Act and Part VI of the Charities Act 1993 (or any statutory re-enactment or modification of that Act).
- 65.3 The directors shall comply with their obligations under the Charities Act 1993 (or any statutory re-enactment or modification of that Act) with regard to the preparation of an Annual Return and an Annual Report and their transmission to the Commissioners.

Notices

- 66 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
- 67 The Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to

him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company.

68 A member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

69 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

Winding up

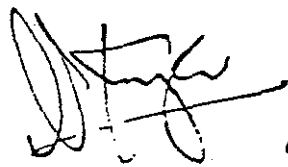
70 On the winding-up and dissolution of the Company the provisions of the Memorandum of Association shall have effect as if repeated in these Articles.

Indemnity

71 Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company 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 Company.

72 The Board shall have power to purchase and maintain for any director such insurance as is permitted by Clause 3.21 of the Memorandum of Association.

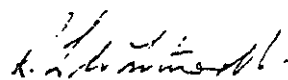
Names, addresses, and descriptions of subscribers



GRAHAM KIRBY
NEWSTAD HOUSE 1 HARDWICK ROAD
SHERWOOD NOTTINGHAM NG5 2GW



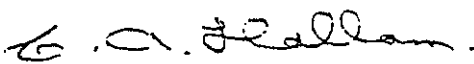
MARION NIXON
36 CHURCH STREET, APPLEBY MAGNA,
SWADLINCOTE, DERBYSHIRE, DE12 7BB
LOCAL GOVERNMENT TOURISM OFFICER



REGINALD WHITWORTH
TESCO, GOLDHILL
TANLEY DERBYSHIRE DE4 5FQ
LOCAL GOVERNMENT OFFICER

Dated 25th March 1996

Witness to Subscribers:

Signature: 
(C. A. HALLAM)

Address: 83 Friar Gate Derby DE1 1FL

Occupation: Chartered Secretary