

Company No: 6131587

THE COMPANIES ACTS 1985 & 1989

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
COUNTRY LAND AND BUSINESS ASSOCIATION LIMITED**

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THE COMPANIES ACTS 1985 & 1989
COMPANY LIMITED BY GUARANTEE
MEMORANDUM OF ASSOCIATION

of

Country Land and Business Association Limited

1. **Name**

The name of the Company is '**Country Land and Business Association Limited**'.

2. **Registered Office**

The registered office of the Company is in England and Wales.

3. **Objects**

The objects for which the Company is established are:

- 3.1 to succeed to and carry on the mutual and other business carried on by the Country Land and Business Association (the '**Association**') immediately prior to the transfer of its business to the Company, of promoting and safeguarding the legitimate interests of the association of owners of agricultural and other rural land, principally in relation to agriculture and horticulture, the breeding of livestock, and forestry;
- 3.2 to safeguard and invest the assets transferred to it representing the surplus funds formerly held by the Association, and any other surplus assets, and to secure an appropriate return on those assets and apply the same in fulfilment of the Objects set out clauses 3.3 and 3.4;
- 3.3 to be an incorporated association of owners of agricultural and other rural land formed to promote and safeguard their legitimate interests so far as is consistent with the interests of the nation; and
- 3.4 to safeguard and develop the capital invested in the ownership of agricultural and other rural land ('**land**') and to secure an appropriate return from these assets.

4. Powers

The Company has power to do anything within the law that may promote or may help to promote the Objects or any of them. In particular (but without limitation) the Company has the following powers:

- 4.1 to promote the consideration and discussion of all questions affecting or touching upon the Objects and to make representations to the Government on legislation and other public matters which affect the business or professional interests of members;
- 4.2 to provide advice and assistance (including but not limited to supporting cases) to eligible members of the Company and, where it is in the interests of a member or members, to others;
- 4.3 to promote, carry out and/or fund research and to publish papers containing information of general interest resulting from such research or otherwise;
- 4.4 to disseminate information on all matters affecting the Objects;
- 4.5 to acquire or hire property of any kind, and any interests in or rights over property of any kind;
- 4.6 to acquire the whole or any part of the business or assets of any person, firm, undertaking or company carrying on any activity in support of the Objects and to give any form of consideration in return for the business or assets;
- 4.7 to insure the property of the Company against any foreseeable risk and take out other insurance policies to protect the Company when required;
- 4.8 to procure the Company to be registered or recognised in any foreign country or place;
- 4.9 to establish Branches of the Company in the United Kingdom and overseas and to delegate to any such Branch any of the powers, authorities or discretions vested in the Board;
- 4.10 to borrow or raise or secure the payment of money in such manner as the Board shall think fit, to charge the undertaking and all or any of the real and personal property and assets of the Company, present and future;
- 4.11 to issue debentures or debenture stock, whether permanent or redeemable or repayable, at par or at a premium or discount, and for such consideration and with and subject to such rights and conditions as the Board may think fit;

- 4.12 to invest and deal with the Company's funds in any manner and to hold or otherwise deal with any investments made;
- 4.13 to sell, dispose of, let, mortgage, or charge any property of the Company and to grant licences, options, rights and privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company;
- 4.14 to invite members from time to time to make voluntary payments to the Company for the purpose of making grants to any charitable or public object including but not limited to those of the CLA Charitable Trust, the European Landowners' Organisation and such other bodies or organisations as the Board may from time to time determine and to make the grants from the sums so raised.
- 4.15 to promote any other company for the purpose of acquiring the whole or any part of the business or property or undertaking or any of the liabilities of the Company, or of undertaking any business or operations which (in the opinion of the Board) is likely to assist or benefit the Company; and to subscribe for or otherwise acquire all or any part of the shares or securities of any such company;
- 4.16 to act as agent or broker or trustee for any person, firm or company, and to undertake and perform any form of contract;
- 4.17 to employ staff and to reward any person, firm or company rendering services to the Company by cash payment or by any other means;
- 4.18 to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any of the employees of the Company or of any subsidiary, holding company or fellow subsidiary of the Company and of their spouses, children and other relatives and dependants; and to lend money to any such employees or to trustees on their behalf to enable any such schemes to be established or maintained;
- 4.19 subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, to indemnify every Director or other officer of the Company (other than any person engaged by the Company as auditor) out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or trust in relation to the affairs of the Company, provided that such indemnity shall not provide for, or entitle any such person to, indemnification to the extent that it would be treated as void under the Act;
- 4.20 to pay out of the Company's funds premiums on insurance policies 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 duty or breach of trust of which they may be guilty in relation to the Company;

- 4.21 to amalgamate with or support any other company or undertaking whose objects may (in the opinion of the Board) advantageously be combined with the Objects;
- 4.22 to establish subsidiary companies;
- 4.23 to sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, and to accept anything of value in return;
- 4.24 to raise funds;
- 4.25 to hold exhibitions or shows as an agricultural society (as defined by section 510 Income and Corporation Taxes Act 1988) and to permit attendance by non-members as well as members and to make all appropriate charges;
- 4.26 to pay out of the Company's funds the costs incurred in forming the Company; and
- 4.27 to do all or any of the things or matters permitted by this Memorandum in any part of the world, and as principal, agent, contractor or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others.

5. **Limited Liability**

The liability of the members is limited.

6. **Guarantee**

This clause applies on the winding-up or dissolution of the Company. Every member promises, if the Company is wound up while he is a member or within one year after he ceases to be a member, to contribute up to £1 to the costs of winding up the Company and meeting the liabilities incurred while he was a member.

7. **Dissolution**

This clause applies on the winding up or dissolution of the Company. If there is any property of the Company remaining after all the Company's debts and liabilities have been paid or satisfied, it shall be distributed between the members of the Company and persons who have been members of the Company (or the Association) at any time in the period of 5 years prior to the winding up or dissolution in accordance with their rights to share in surpluses under rules determined by the Board complying with the following principles:-

- (a) The surplus must be distributed exclusively between those members and past members who have subscribed for membership by payment of subscription fees.

- (b) The proportion returned to each such member (current and past) must bear a reasonable relationship to the member's contribution to the surplus.

8. **Income and Capital of the Company**

8.1 Subject to clauses 7 and 8.2, the income and capital of the Company must be applied solely towards the promotion of the Objects.

8.2 No part of the income or capital of the Company may be paid or transferred, directly or indirectly, to the members of the Company, whether by way of dividend or bonus or in any other way that amounts to a distribution of profit or surplus. This does not prevent the payment of:

- (a) reasonable and proper remuneration to any Officer, employee or member of the Company in return for any services provided to the Company;
- (b) discounts provided to members in respect of their purchase of goods or services provided by the Company;
- (c) a reasonable rate of interest on money lent to the Company;
- (d) a reasonable rent for property let to the Company;
- (e) expenses to any Officer, employee or member of the Company;
- (f) any sum to a member pursuant to clause 7.

9. **Interpretation**

Expressions defined in the Articles have the same meanings in this Memorandum.

We, the persons whose names are written below, wish to be formed into a Company under this Memorandum.

Edward David Fursdon
Fursdon
Cadbury
Exeter
EX5 5JS

Sir Henry Egerton Aubrey-Fletcher
Town Hill Farm
Chilton
Aylesbury
Buckinghamshire
HP18 9NA

William Ralph Worsley
Hovingham Hall
York
YO62 4LU

Rodney Charles Howard Morgan-Giles
Upton Park,
Old Alresford
Hampshire
SO24 9DX

Date: 28 February 2007

THE COMPANIES ACTS 1985 & 1989
COMPANY LIMITED BY GUARANTEE
ARTICLES OF ASSOCIATION

of

Country Land and Business Association Limited

1. INTERPRETATION

1.1 In these Articles:

'the Act' means the Companies Act 1985 or any statutory re-enactment or modification of it;

'AGM' means an annual general meeting of the Company;

'the Articles' means the articles of association of the Company;

'authorised representative' means an individual who is authorised on behalf of a member who is a company, trust, partnership or other organisation, to act on their behalf at meetings of the Company and whose name has been given to the Secretary prior to any such meeting;

'the Board' means the board of Directors of the Company, acting collectively;

'Branch' or **'Branches'** means any branch of the Company for the time being established in accordance with clause 4.9 of the Memorandum and article 20;

'Chairman of the Audit and Risk Committee' means the Director elected as such in accordance with these Articles whose roles and responsibilities shall include those of the Treasurer of the Association;

'clear days' in relation to a period of notice means that period excluding the day on which the notice is given or is deemed to have been given, and the day for which the notice is given or on which it is to take effect;

'Council' means Council of the Company with the roles and responsibilities set out in articles 10 and 11;

'Director' means a director of the Company acting individually;

'EGM' means an extraordinary general meeting of the Company;

'Electronic Communication' means the same as in the Electronic Communications Act 2000;

'executed' includes any mode of execution;

'Institutional Member' means a member who is the authorised representative of a charitable, religious, educational, privately owned or public body having an interest in land;

'land' has the meaning set out in clause 3 of the Memorandum;

'Memorandum' means the memorandum of association of the Company;

'Nominated Members' means members of Council nominated by Council in accordance with article 10;

'Objects' means the objects of the Company as set out in the Memorandum from time to time;

'Officers' means the President, Deputy President and Vice President elected in accordance with article 13;

'person' means a natural person, firm, partnership, company, corporation, association, organisation, institution, foundation, trust or agency (in each case whether or not having separate legal personality);

'Region' means any group of Branches determined by Council from time to time and **'Regional'** shall be construed accordingly;

'Representative Members' means members elected to Council by a Branch or Region or nominated by Council in accordance with articles 10.8 or 10.12;

'Secretary' means any person appointed to perform the duties of the Secretary of the Company; and

'Vice President Europe' means the person elected to that office by Council pursuant to article 10.2(g).

1.2 Expressions referring to **'writing'** include references to printing and other methods of representing or reproducing words in a visible form.

1.3 Unless the context otherwise requires, words or expressions contained in these Articles bear the meanings given to them in the Act.

1.4 References in the Memorandum and Articles to **'he'** or **'him'** include male and female individuals and other persons.

2. MEMBERSHIP

2.1 The Company must keep a register of members as required by the Act.

- 2.2 The first members of the Company are the subscribers to the Memorandum and Articles together with those persons (other than the subscribers) who, at the date of incorporation of the company, are members of the Association.
- 2.3 Any person with an interest in, or who is sympathetic to, the Objects may be a member.
- 2.4 Application for membership of the Company shall be made in writing to the Company and shall be accompanied by such information as the Board may from time to time require, such information to be verified in such manner as the Board may prescribe.
- 2.5 The admission of members shall be at the discretion of the Board by any method it may decide to adopt.
- 2.6 The Board may establish, vary or withdraw such categories of membership with such benefits, privileges and rights to share in surpluses, and subject to the obligation to pay such contributions as it may determine provided that the Board shall in the determination of such benefits, privileges, rights and the imposition of such obligation to contribute, maintain a reasonable relationship between the benefits, privileges and rights and the contributions to be paid by members of each such category, so that the Company retains its mutual status.
- 2.7 The Board may admit to honorary membership a person who has rendered outstanding service to the Company, or in furtherance of its Objects. Honorary members shall not be members of the Company for the purposes of the Act or clause 7 of the Memorandum.
- 2.8 Subject to article 2.2, following approval of an application for membership and upon satisfaction in full of any conditions prescribed from time to time by the Board, a member shall receive a certificate of membership of the category into which they have been admitted and shall be entered on the Company's register of members where appropriate.
- 2.9 Membership of the Company is not transferable.

3. RESIGNATION OF MEMBERS

- 3.1 Any member wishing to resign shall give notice in writing to the Company.
- 3.2 No member is entitled to any refund of membership subscription on resigning or otherwise ceasing to be a member for any reason.

4. TERMINATION OF MEMBERSHIP

If it shall appear to the Board that any member or honorary member has been guilty of conduct likely to bring the Company into disrepute or to prejudice the achievement of any objective of the Company or of conduct rendering him unfit to remain a member of the Company, the Board shall

call upon him for an explanation or justification: and if no explanation or justification is given, or if the explanation is not, in the opinion of the Board, satisfactory, the Board may terminate his membership of the Company.

5. **SUBSCRIPTIONS**

5.1 Every member shall pay such annual subscription as shall be in accordance with the scale of subscriptions within categories of membership or otherwise by reference to such criteria and in such manner as from time to time approved and published by the Board after consultation with Council.

5.2 In the event of any member failing to pay his annual subscription when it has become due, his attention shall immediately be drawn to the fact; and if he fails to pay it within three months of its becoming due his membership of the Company may be terminated by the Board.

5.3 In the event of the Company incurring unusual expenditure in connection with a question affecting a limited number of members only, such expenditure, or such portion of it as may be decided by the Board, may be met by an additional voluntary levy on the members so affected. The Board shall have power to expend money of the Company and to use the facilities and employees of the Company in organising and implementing a voluntary levy or voluntary levies from time to time on members for the benefit of and to be paid to any charity organisation or person having objects or objectives sympathetic to or complementary to the Objects and which the Board may approve for this purpose.

6. **MEETINGS OF MEMBERS**

6.1 The Company must hold a general meeting in each year as its AGM, in addition to any other meetings held in that year. The interval between the date of one AGM and the date of the next must not be more than 15 months. The Board will choose the time and place of the AGM. All members' meetings of the Company other than AGMs are called EGMs.

6.2 The Board may call a members' meeting at any time; and must call a members' meeting if it receives a requisition by the members of the Company in accordance with the Act.

6.3 An AGM and a meeting called for the passing of a special resolution must be called by at least 21 clear days' notice, and all other members' meetings must be called by at least 14 clear days' notice. A meeting of the Company may be called by shorter notice if it is so agreed:

- (a) in the case of an AGM, by all the members entitled to attend and vote at that meeting; and

(b) in the case of any other meeting, by members holding at least 95% of the total voting rights at that meeting of all the members.

6.4 The notice must specify the place, date and time of the meeting, and the general nature of all items of the business to be transacted; and must, in the case of an AGM, specify the meeting as an AGM. The text of all ordinary, special, extraordinary and elective resolutions to be proposed at the meeting must be set out in the notice.

6.5 Notice must be given to the members of the Company, to the Directors, and to the auditors; but if anyone entitled to receive notice does not receive it, this does not invalidate the proceedings at the meeting if the failure to notify was accidental.

7. PROCEEDINGS AT MEETINGS OF MEMBERS

7.1 A members' meeting is not valid unless a quorum of members of the Company is present throughout the meeting; the quorum is twenty members present in person or by proxy.

7.2 If a quorum is not present within half an hour after the time set for the meeting, the meeting is automatically adjourned to the same day in the next week, at the same time and place, or to another day, time and place decided by the Board.

7.3 The President will preside as chairman of every meeting of members *ex officio*. If there is no President, or if he is not present within fifteen minutes after the time set for the meeting, or is unwilling to act, the Deputy President (or failing him, the Vice President) if present and willing to act shall preside similarly as Chairman of the meeting *ex officio*. If neither the President, Deputy President nor Vice President is available those Directors present at the meeting must elect one of themselves to be chairman of the meeting.

7.4 If at any members' meeting no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time set for the meeting, the members of the Company present must choose one of themselves to be chairman of the meeting.

7.5 The chairman may adjourn the meeting with the consent of any quorate meeting (and must if required by a simple majority of the members present at the meeting), but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Notice is required to be given of an adjourned meeting.

7.6 At any meeting of the members, a resolution put to the vote of the meeting will be decided on a show of hands unless a poll is demanded (before or on the declaration of the result of the show of hands). Subject to the Act, a poll may be demanded:

(a) by the chairman of the meeting; or

(b) by at least five members present in person or by proxy.

- 7.7 Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has been carried or lost on a show of hands, whether unanimously or by a particular majority, and an entry to that effect in the minutes, is conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 7.8 The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman of the meeting. The withdrawal of a demand for a poll does not invalidate the result of a show of hands declared before the demand for the poll is made.
- 7.9 Except as provided in these Articles, if a poll is demanded it may be taken in such manner as the chairman of the meeting directs but the chairman has no authority in exercising this power to extend the poll to members who are not present at the meeting in question. The result of the poll is deemed to be the resolution of the meeting at which the poll was demanded.
- 7.10 A poll demanded on the election of a chairman, or on a question of adjournment of a meeting, must be taken immediately. A poll demanded on any other question may be taken at such time as the chairman of the meeting directs. If there is an interval before the time for closing the poll, the meeting may deal with any business other than the business being determined by poll.

8. VOTES OF MEMBERS

Every member whose name is entered in the Company's register of members has one vote at every members' meeting. A resolution proposed at any members' meeting will be approved if at least one more than half of the votes cast at the meeting are in favour of the resolution, except where the Act or these Articles prescribes a different majority.

9. PROXIES AND REPRESENTATIVES

- 9.1 A member may appoint a proxy or (in the case of member who is not a natural person) an authorised representative (as the case may be) to attend members' meetings in his place and to vote on a poll but not on a show of hands. The proxy form must be in the form and deposited in the manner prescribed by the Board from time to time. A proxy need not be a member of the Company.
- 9.2 A vote given or poll demanded by a proxy for a member, or by the authorised representative of a member, remains valid despite the previous revocation of the authority of the proxy or authorised representative, unless notice of revocation was received by the Company at its registered office (or, where the appointment of the proxy

or authorised representative was contained in an Electronic Communication, at the address at which the appointment was duly received) before the start of the meeting or adjourned meeting in question.

10. COUNCIL

- 10.1 There shall be a Council of the Company, constituted in accordance with these Articles, which shall have the powers set out in article 11.
- 10.2 The first members of Council shall be those members of Council of the Association in office at the date of incorporation of the Company. Thereafter the members of Council shall consist of:
- (a) the Officers duly elected in accordance with article 13;
 - (b) the Chairman of the Audit and Risk Committee elected in accordance with article 14;
 - (c) the Representative Members elected by the Branches or Regions;
 - (d) up to five Nominated Members;
 - (e) Past Presidents of the Company and/or the Association;
 - (f) up to two representatives each of such bodies known to be sympathetic to the Objects as Council may decide to be appointed under article 10.3;
 - (g) the person elected by Council to the office of Vice President Europe following the receipt of nominations from the Policy Committee pursuant to article 19(b); and
 - (h) any member of the Board or Policy Committee not otherwise qualifying as a member of Council under articles 10.2(a) to (g).
- 10.3 At the meeting of Council immediately preceding each AGM, Council may select by such method as it may from time to time determine, not more than five members of the Company as Nominated Members and up to two representatives each of such bodies known to be sympathetic to the Objects, for the coming year.
- 10.4 The names of the Nominated Members and representatives of bodies sympathetic to the Objects selected pursuant to article 10.3 shall be announced at the AGM when they shall become members of Council.
- 10.5 Nominated Members and representatives of bodies sympathetic to the Objects shall hold office for one year and shall be eligible for re-nomination.

- 10.6 Council shall have power to fill any casual vacancy among the Nominated Members.
- 10.7 Council shall determine the number of Representative Members from each Branch or Region and their mode of election in such manner as it may from time to time determine.
- 10.8 Representative Members shall be elected at the AGM of their respective Branch or Regional committee which shall have taken place at least two weeks before each AGM.
- 10.9 A Representative Member's term of office shall commence immediately after election and shall subsist for such period as accords with the rules of the Region or Branch electing the Representative Member or of which the Representative Member is a member.
- 10.10 A Representative Member shall be eligible for re-election.
- 10.11 Any casual vacancy among the Representative Members shall be filled by the Branch or Region affected.
- 10.12 If a Branch or Region does not exercise its right to elect a Representative Member, Council shall have power to nominate a member of that Branch or Region to represent it on Council.
- 10.13 A person shall cease to be a member of Council if he:
- (a) being an Officer ceases for any reason to be an Officer save in the case of Past Presidents;
 - (b) being a Nominated Member ceases for any reason to be a Nominated Member;
 - (c) being a Representative Member ceases for any reason to be a Representative Member;
 - (d) is removed by resolution of Council;
 - (e) resigns his membership by notice in writing to the Company;
 - (f) dies, becomes bankrupt, becomes mentally incapable of managing his own affairs, or is convicted of an indictable offence for which he is sentenced to a term of imprisonment.
- 10.14 A technical defect in the appointment of a Council member does not invalidate a decision taken at a meeting of Council if the members present were not aware of the defect at the time of the meeting.

11. **POWERS OF COUNCIL**

Council shall:

- 11.1 provide advice to the Board and its committees acting as the key representative body of the members of the Company;
- 11.2 subject to article 15.2, nominate and remove the Directors in accordance with the provisions in these Articles;
- 11.3 operate in accordance with rules agreed with the Board from time to time-; and
- 11.4 elect the Vice President Europe from time to time and determine his term of office after consultation with the Policy Committee.

12. PROCEEDINGS OF COUNCIL

- 12.1 Council shall meet not less than twice in each calendar year for the conduct of business. It may adjourn and otherwise regulate meetings as it thinks fit. The President or the Director General on the request of at least ten members of Council shall summon a meeting of Council at such time and such place and with such notice as the President thinks fit, provided always that at least seven clear days' notice of the meeting is given to members of Council.
- 12.2 Only members of Council, or their deputies, employees of the Company and guests invited by the President or Council shall be entitled to attend meetings of Council.
- 12.3 The quorum for meetings of Council shall be twenty members of Council elected pursuant to article 10.2(c) present in person (or by an authorised representative) or by proxy.
- 12.4 The President shall be *ex officio* chairman of any meeting of Council at which he is present and in his absence, or if he is unwilling to act, the Deputy President (or failing him, the Vice President) if present and willing to act shall be similarly *ex officio* chairman. If neither the President, Deputy President nor Vice President is available, a chairman shall be chosen by the meeting by a show of hands of those present.
- 12.5 The chairman of a meeting of Council shall have power to adjourn the meeting for good cause and shall reconvene the meeting at such place and such time and shall communicate the same to members of Council in such manner as he deems fit.
- 12.6 Every member of Council shall have one vote in respect of proposals arising at a meeting of Council. Voting shall be by show of hands or by ballot, if so directed by the chairman of the meeting or if demanded by not less than ten members of Council present or by proxy. For the avoidance of doubt, any person who is a member of Council in more than one capacity under article 10.2 shall have only one vote save in the case of an equality of votes where the chairman of the meeting shall have a second or casting vote.

12.7 The failure to give proper notice of any meeting of Council or any meeting of a committee of Council to anyone entitled to receive it does not invalidate the proceedings at the meeting if the failure to notify was accidental.

13. **OFFICERS OF THE COMPANY**

13.1 The Officers shall be elected from amongst the past and present members of Council at each AGM to hold office until the next AGM and shall only be eligible for re-election to the same office for one further term.

13.2 Nominations of those standing for election as an Officer must be signed by at least ten members of the Company and notified to the Company at least thirty clear days before the relevant AGM.

13.3 In the event of the death, resignation or removal of the President during his term of office, the Deputy President shall immediately become President for the remainder of his predecessor's term and the provisions of article 13.1 shall not apply to his subsequent election or re-election.

13.4 Council shall have power to fill any casual vacancy amongst the Officers.

14. **THE CHAIRMAN OF THE AUDIT AND RISK COMMITTEE**

14.1 Subject to article 14.3, the Chairman of the Audit and Risk Committee shall be elected from amongst the present members of the Company at each AGM to hold office until the next AGM and shall be eligible for re-election to the same office for a maximum of five further consecutive terms. The first Chairman of the Audit and Risk Committee will be the Treasurer of the Association at the date of the incorporation of the Company.

14.2 The Chairman of the Audit and Risk Committee shall be ineligible for re-election to such office or as an Officer for three years after ceasing to hold such office.

14.3 Nominations of those standing for election as the Chairman of the Audit and Risk Committee must be signed by at least ten members of the Company and notified to the Company at least thirty clear days before the relevant AGM.

14.4 In the event of the death, resignation or removal of the Chairman of the Audit and Risk Committee during his term of office, Council should have power to fill any casual vacancy.

15. **THE BOARD**

15.1 The first Directors of the Company are those named in the statement submitted to the registrar of companies on incorporation of the Company.

- 15.2 Subject to article 15.6 the Board of the Company shall consist of:
- (a) the Officers;
 - (b) the Chairman of the Audit and Risk Committee *ex officio*;
 - (c) the Director General and the Director of Membership and Regions *ex officio*;
 - (d) up to four additional directors nominated by Council from time to time in accordance with article 15.3 and appointed at an AGM pursuant to article 15.4;
 - (e) up to two co-opted members as shall be appointed in accordance with article 15.6.
- 15.3 At the meeting of Council immediately preceding each AGM, Council may select by such method as it may from time to time determine, up to four members of Council for election as Directors for the coming year.
- 15.4 The names of those nominated pursuant to article 15.3 shall be announced at the AGM when they may be recommended by the Council for election to the Board as Directors.
- 15.5 Directors elected in accordance with article 15.4 shall hold office for a term of three years and shall be eligible for re-nomination and re-election at the AGM at the end of this period, for a second term of three years, subject to any transitional arrangements agreed by the Board and Council. No director shall act for more than six years unless through the unanimous approval by the other directors and approved by Council to be reviewed on an annual basis.
- 15.6 Council shall have power to fill any casual vacancy among the Directors or to co-opt additional members of the Board by reason of that additional member's skill, knowledge or experience. Co-opted members of the Board shall hold office for a term of one year and shall be eligible for re-election at the AGM, for a maximum consecutive term of three years, subject to any transitional arrangements agreed by the Board and Council.
- 15.7 A Director will cease to be a member of the Board:
- (a) if he resigns his directorship by giving notice to the Company;
 - (b) if he dies, becomes bankrupt, becomes mentally incapable of managing his own affairs, or is convicted of an indictable offence for which he is sentenced to a term of imprisonment;
 - (c) if he is removed by Council;

- (d) if he is removed by a simple majority of the members of the Company, following the procedure laid down in the Act; or
- (e) if he is disqualified under the Company Directors Disqualification Act 1986 or otherwise.

15.8 A technical defect in the appointment of a Director does not invalidate a decision taken at a Board meeting if the Directors present were not aware of the defect at the time of the meeting.

16. POWERS OF THE BOARD

16.1 The Board has control over all the affairs and property of the Company and may exercise all the powers of the Company, except as otherwise provided by the Memorandum and these Articles, or by any rules made pursuant to these Articles.

16.2 The Board may delegate any of its powers to the Director General, Council and to committees consisting of such Directors, members of the Company and/or others as it thinks fit: in the exercise of the delegated powers, the Director General, Council or committee must conform to any regulations which may be imposed by the Board or by rules made under these Articles including those relating to the powers and procedures of such committees.

17. PROCEEDINGS OF THE BOARD

17.1 A Director may call a Board meeting at any time and the Secretary must call a Board meeting if requested to do so by a Director. The Board may convene and regulate its meetings as it thinks fit. Questions arising at any Board meeting will be decided by a majority of votes.

17.2 A Board meeting is not valid unless a quorum is present throughout the meeting. The quorum is one Director if there is a sole Director in office, but otherwise is one half of the Directors then holding office or four Directors (whichever is the greater).

17.3 The Deputy President shall be *ex officio* chairman of any meeting of the Board at which he is present and in his absence, or if he is unwilling to act, the Vice President (or failing him, the President) if present and willing to act, shall be similarly *ex officio* chairman. If neither the Deputy President, Vice President nor President is available, a chairman shall be chosen by the meeting by a show of hands of those present.

17.4 The chairman of a meeting of the Board shall have power to adjourn the meeting for good cause and shall reconvene the meeting at such place and such time and shall communicate the same to members of the Board in such manner as he deems fit.

17.5 Every Director shall have one vote in respect of proposals arising at a meeting of the Board save in the case of an equality of votes where the chairman of the meeting shall have a second or casting vote. Voting shall be by show of hands or by ballot, if so directed by the chairman of the meeting or if demanded by a majority of the Directors present.

17.6 The failure to give proper notice of any meeting of the Board or any meeting of a committee of the Board to anyone entitled to receive it does not invalidate the proceedings at the meeting if the failure to notify was accidental.

18. THE POLICY COMMITTEE

18.1 Pursuant to article 16.2, there shall be a Policy Committee of the Board comprised as provided in article 18.2 to which the Board may delegate such powers as it thinks fit including but not limited to the power to establish sub-committees of the Policy Committee and their membership.

18.2 The Policy Committee shall consist of the following members:

- (a) members elected from each Region in the manner provided in article 21.2;
- (b) up to twelve members:
 - (i) who shall be nominated from:
 - past and present members of Council;
 - present members of national sub-committees;
 - present members of regional and branch committees.
 - (ii) they shall be elected by Council.
- (c) the Officers;
- (d) the Chairman of the Audit and Risk Committee
- (e) the chairman of each sub-committee established by the Policy Committee;
- (f) the Vice President Europe if not already a member of the Policy Committee pursuant to article 18.2 (e);
- (g) the five previous Presidents of the Company and/or the Association as the case may be;
- (h) any person co-opted by the Policy Committee;

- (i) up to two representatives each of such bodies known to be sympathetic to the Objects as the Policy Committee shall decide, to be elected annually by the remaining members of the Policy Committee.

19. POWERS OF THE POLICY COMMITTEE

The Policy Committee shall:

- (a) provide advice to Council and the Board and their respective committees acting as a representative body of the members of the Company;
- (b) recommend to Council candidates to be Officers, Chairman of the Game Fair Board, the Vice President Europe and members of Council to be nominated for election as Directors pursuant to article 15.3;
- (c) operate in accordance with rules to be determined by the Board in consultation with Council from time to time.

20. BRANCHES

- 20.1 Council shall have power to establish and in consultation with them to reorganise Branches throughout England and Wales.
- 20.2 Each Branch shall appoint its own honorary officers.
- 20.3 Each Branch shall make its own rules which shall be approved by Council before coming into force and failing agreement shall be prescribed by Council.
- 20.4 Every member of the Company shall upon admission as a member and for so long as his membership of the Company continues, become and remain a member of the Branch in the area in which he may own land or where he has a principal place of business, or where he has his principal residence and shall remain a member of such Branch or Branches subject to these Articles (or any rules made under these Articles) and the rules of the relevant Branch for the time being in force.
- 20.5 Members of the Company other than natural persons shall be members of the Branch in which their respective head offices are located and those whose head offices are located within Greater London shall be members of the Hertfordshire and Middlesex Branch.

21. REGIONS

- 21.1 Council may group the Branches into Regions for administrative and staffing purposes and to facilitate the consideration of matters of common interest to those Branches and for securing such other purposes as may be determined by Council from time to time.

21.2 The internal organisation of each Region, the procedure for the nomination of members to service on the Policy Committee and for the method of working of that Region (including the conduct of their meetings) shall be determined by rules to be made by the relevant Region subject to their prior approval by Council and failing such approval shall be prescribed by Council.

22. BENEFITS TO DIRECTORS

22.1 The Directors are entitled to receive such remuneration, expenses, and other benefits as the Board determines.

22.2 Subject to the provisions of the Act, and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director:

(a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company, or in which the Company is otherwise interested; and

(b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any organisation in which the Company is interested.

For the purpose of this article 22, a general notice given to the Board 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 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.

SECRETARY

23. The Company must have a Secretary who will be appointed by the Board on whatever terms the Board thinks fit. If there is no Secretary capable of acting, anything required or authorised to be done by or to the Secretary may be done by any Director authorised generally, or specially for that purpose, by the Board.

SEAL

24. The Company is not required to have a common seal. If the Company has a common seal, it may only be used by the authority of the Board. Every document bearing an impression of the common seal must be signed by a Director, and countersigned by the Secretary or by a second Director.

NOTICES, MEETINGS AND RESOLUTIONS

25. The following articles 26 to 31 apply to meetings and resolutions of, and notices given to Council, the Board, their committees or sub-committees and the Company; and **'member'** means a Director, committee or sub-committee member or a member of the Company as the context requires.
26. Any notice to be given under these Articles must be in writing or be given by Electronic Communications. The Company may give any notice to a member by handing it to him personally, or by sending it by post (airmail in the case of overseas members who have given no address for service within the United Kingdom) in a prepaid envelope addressed to the member at the address shown in the Company's register of members, or by leaving it at that address, or by giving it using Electronic Communications to any address given to the company by the member.
27. A member present in person at any meeting is taken to have received notice of the meeting and, where necessary, of the purposes for which it was called.
28. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given to a postal address. Proof that a notice contained in an Electronic Communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice is deemed to be given at the expiration of 48 hours after it was handed to the member, posted or (as the case may be) sent by Electronic Communication.
29. Subject to the provisions of the Act (and in particular in the case of a resolution of the members of the Company, to any requirement to submit the proposed resolution to the auditors), a resolution in writing signed by all the members entitled to attend and vote at a meeting is as valid and effective as if it had been passed at a meeting properly convened and held. Any resolution in writing may consist of two or more documents in similar form, each signed by one or more members. Digital signatures and faxed signatures will suffice for the purpose of this Article.
30. Subject to any provisions of the Act requiring a meeting to be held physically, a member entitled to attend and vote at a meeting may participate by means of a telephone conference or other facility enabling all people participating in the meeting to communicate interactively and simultaneously with each other; and participation in a meeting in this manner is taken to be presence in person at the meeting.
31. The Secretary or a Director must take minutes of proceedings at all meetings, and the minutes must be authenticated and kept in accordance with the requirements of the Act.

RULES

32. The Board may make and amend rules for any purposes required from time to time for the effective operation of the Company or the furtherance of the Objects, but if there is a conflict between the terms of these Articles or the Memorandum and any rules made or amended under this Article, the terms of the Memorandum and Articles will prevail.
33. A person is bound by the terms of rules made or amended in accordance with these Articles even if he has not received notice of the rules or the alteration.

INDEMNITY

34. Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer of the Company (other than any person engaged by the Company as auditor), shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this article, or any element of it, to be treated as void under the Act.
35. The Company may pay out of its funds premiums on insurance policies 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 duty or breach of trust of which they may be guilty in relation to the Company.

We, the persons whose names are written below, wish to be formed into a Company under these Articles.

Edward David Fursdon

Fursdon

Cadbury

Exeter

EX5 5JS

Sir Henry Egerton Aubrey-Fletcher

Town Hill Farm

Chilton

Aylesbury

Buckinghamshire

HP18 9NA

William Ralph Worsley

Hovingham Hall

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Rodney Charles Howard Morgan-Giles

Upton Park

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Date: 28 February 2007

