

**THE COMPANIES ACT 1985 – 1989**  
**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**  
**ARTICLES OF ASSOCIATION OF**  
**THE TRAIDCRAFT EXCHANGE**

**(Adopted by Special Resolution passed on 3 December 2002)**

1. DEFINITIONS AND INTERPRETATION

In these Articles and the Memorandum of Association of the Exchange (if not inconsistent with the subject or context):-

- 1.1 “The Acts” means the Companies Acts 1985 to 1989 and any statutory modification or re-enactment of the same for the time being in force.
- 1.2 "address" includes, in relation to an electronic communication, any number or address used for the purposes of such communications.
- 1.3 “Basis of Faith” means the Basis of Faith approved from time to time by the Exchange in accordance with the Deed of Covenant.
- 1.4 “The Board” means the Board of Directors of the Exchange.
- 1.5 "communication" and "electronic communication" mean the same as in the Electronic Communications Act 2000.
- 1.6 “The Exchange” means the Traidcraft Exchange.
- 1.7 “Deed of Covenant” means the Deed of Covenant dated 3 December 2002 between the Traidcraft Foundation, the Exchange and Traidcraft plc as amended, supplanted or replaced from time to time.
- 1.8 "Developing Countries” means those countries included in the list of Developing Countries as agreed from time to time by the Exchange and the Trustees of the Traidcraft Foundation in accordance with the Deed of Covenant.
- 1.9 “Doctrinal Basis” means the Apostles Creed (in the form set out in the Deed of Covenant) and the Basis of Faith.
- 1.10 “The Foundation Principles” mean the Principles approved from time to time by the Exchange in accordance with the Deed of Covenant.
- 1.11 “The Founder Member” means the Traidcraft Foundation acting by its Trustees for the time being.
- 1.12 “The Directors” means those persons acting as the directors of the Exchange.
- 1.13 “The Members” means the Ordinary Members of the Exchange.

- 1.14 “The Ordinary Members” means members of the Exchange other than the Founder Member.
- 1.15 “The Seal” means the Common Seal of the Exchange.
- 1.16 “The Secretary” means any person appointed to perform the duties of the secretary of the Exchange.
- 1.17 “The Traidcraft Foundation” means Registered Charity No 294953 (irrespective of the name which may have been adopted for it for the time being by its Trustees).
- 1.18 “The Trustees” means the Trustees for the time being of the Traidcraft Foundation.
- 1.19 “The United Kingdom” means Great Britain and Northern Ireland.
- 1.20 Expressions referring to writing shall unless the contrary intention appears to be construed as including any means whatsoever of representing or reproducing words in permanent or essentially permanent documentary form.
- 1.21 The expression “including” shall not be construed to limit the general meaning of an expression in any way.
- 1.22 Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Acts in force at the date at which these Articles become binding on the Exchange.
- 1.23 Words denoting the masculine gender shall include the feminine gender and the neuter gender and the singular shall include the plural and vice versa. Words denoting persons shall include corporations.
- 1.24 Any reference to any statute or statutory provision shall be construed as including a reference to any statutory modification or re-enactment thereof from time to time in force.
- 1.25 The headings in these Articles shall not be taken as part of them or in any manner affect their interpretation or construction.

## 2. OBJECTS

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

## 3. MEMBERS

3.1 There shall be two classes of member of the Exchange namely:

3.1.1 The Founder Member;

3.1.2 Ordinary Members (hereafter referred to as “Members”).

- 3.2 The number of Members with which the Exchange proposes to be registered is unlimited.
- 3.3 The persons who the Directors admit to membership shall be the Members.
- 3.4 An application to be admitted as a Member shall be in the form mentioned in Article 3.8 and may be approved or rejected by the Directors. The Directors shall have the right for good and sufficient reason to terminate the membership of any Member (but not of the Founder Member) provided that the Member concerned shall have a right to be heard before a final decision is made.
- 3.5 Unless the Directors or the Exchange in General Meeting shall make other provision pursuant to the powers contained in Article 2, the Directors may in their absolute discretion permit any Member of the Exchange to retire provided that after such retirement the number of Members is at least five.
- 3.6 The rights and privileges of a Member shall not be transferable and in the case of an individual shall cease upon death.
- 3.7 No person shall be admitted as a Member without first declaring in writing that person's sympathy with the Objects of the Exchange and the Doctrinal Basis.
- 3.8 Application to become a Member of the Exchange shall be made in such form as the Directors or the Exchange in General Meeting may prescribe from time to time pursuant to the powers contained in Article 2 but such form of application shall be in writing and shall include the following declaration:-
- “I declare that I subscribe to the Apostles' Creed, that I am in full sympathy with the Objects of Traidcraft Exchange and with Traidcraft's Foundation Principles, and that I am in sympathy with Traidcraft's Basis of Faith (copies of which are attached to this declaration)”.
- 3.9 A Member shall cease to be a member of the Exchange upon:-
- 3.9.1 That Member giving notice to the Exchange of resignation of membership.
- 3.9.2 The third anniversary of his becoming a Member unless he shall within 6 months before or after such anniversary reapply for membership.
- 3.9.3 The Member dying, becoming of unsound mind, or bankrupt, or compounding with the Member's creditors.
- 3.9.4 A majority of two thirds of the Directors passing a resolution (or in the case of a Member who is a Director, a unanimous resolution of the remaining Directors) removing the Member from membership as a result of the failure of the Member to observe any rule or bye-law of the Exchange or being guilty in the opinion of such majority of the Directors of conduct rendering that person unfit to remain a Member; provided that the person concerned may be given

the opportunity before such resolution is put to attend before the Board of Directors and offer any explanation or defence.

3.9.5 The Member ceasing to support the objects of the Exchange or to subscribe to the Doctrinal Basis or the Foundation Principles.

#### 4. GENERAL MEETINGS

4.1 The Exchange shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year and shall specify the meeting as such in the notice calling it and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Exchange and that of the next. The Annual General Meeting shall be held at such time and place as the Directors shall appoint.

4.2 All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

4.3 The Directors may when they think fit convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened by the Founder Member, or by Members in accordance with the Acts. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum any Director or the Founder Member or any two Members may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

#### 5. NOTICE OF GENERAL MEETINGS

5.1 At least twenty one days prior written notice shall be given of an Annual General Meeting or a meeting called for the passing of a Special Resolution. Other general meetings of the Exchange shall be called by at least fourteen days' prior written notice. In calculating the notice period, the days on which it is served or deemed to be served and the day of the meeting shall not count. The notice shall specify the place, the day and the hour of meeting and in the case of special business, the general nature of that business. Notice shall be given in the manner mentioned below or in any other manner prescribed by the Exchange in General Meeting to such persons as are under the Articles of the Association entitled to receive the notice. A meeting may be called by shorter notice if it is so agreed:-

5.1.1 in the case of a meeting called as the Annual General Meeting by the Founder Member and all the Members entitled to attend and vote at it and

5.1.2 in the case of any other meeting by the Founder Member and a majority in number of the Members having a right to attend and vote at it being a majority together representing at least ninety-five percent of the total voting rights at that meeting of all the Members.

5.2 The accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person (other than the Founder Member) entitled to receive notice

shall not invalidate the proceedings at that meeting but any such omission or non-receipt by the Founder Member shall invalidate the proceedings.

## 6 PROCEEDINGS AT GENERAL MEETINGS

- 6.1 All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of the consideration of the accounts balance sheets and the reports of the Directors and auditors the election of Directors in the place of those retiring and the appointment of and the fixing of the remuneration of the auditors.
- 6.2 No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business; save as herein otherwise provided the Founder Member together with 3 Members present in person shall be a quorum.
- 6.3 If within half an hour from the time appointed for the meeting a quorum is not present the meeting if convened upon the requisition of Members shall be dissolved; in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall be a quorum provided always that there shall not be a quorum for this purpose unless the Founder Member is present at the meeting.
- 6.4 Whoever for the time being has been elected by the Directors to take the chair at their meetings shall take the chair at every General Meeting of the Company or if there is no such person in office or if that person shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the Directors present shall elect one of their number to chair the meeting.
- 6.5 If at any meeting no Director is willing to chair that meeting or if no Director is present within fifteen minutes after the time appointed for holding the meeting the Members present shall choose one of their number to chair the meeting.
- 6.6 The person chairing the meeting may with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place and no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 6.7 At any General Meeting a resolution put to the vote of the meeting shall be decided (subject to Article 7 of these Articles of Association) on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded (a) by the person chairing the meeting or (b) by the Founder Member or (c) by at least two Members present in person or by proxy and representing at least one-tenth of the total voting rights of all the Members having the right to vote at the meeting. Unless the

poll be so demanded a declaration by the person chairing a meeting that a resolution has on a show of hands been carried unanimously or by a particular majority or loss and an entry to that effect in the book containing the minutes or proceedings of the Exchange shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

- 6.8 The demand for a poll may be withdrawn.
- 6.9 A poll demanded on the election of a person to chair a meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the person chairing the meeting directs and any business other than that upon which a poll has been demanded may proceed pending the taking of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 6.10 Subject to the provisions of the Acts a resolution in writing signed by the Founder Member and all the Members for the time being entitled to receive notice of and to attend and vote at General Meetings (or being corporations by their duly authorised representative) shall be as valid and effective as if the same had been passed at a General Meeting of the Exchange duly convened and held. Any such resolution in writing may consist of one document or of two or more documents in like words each signed by one or more Members.

## 7 VOTES OF MEMBERS

- 7.1 The Founder Member shall always be deemed to have that number of votes as shall exceed by one the number of all other votes cast (whether on a show of hands or upon a poll) by Members present at that meeting or voting upon the relevant resolution.
- 7.2 Every Member shall have one vote.
- 7.3 No Member shall be entitled to vote at any General Meeting unless all moneys presently payable by that Member to the Exchange shall have been paid.
- 7.4 On a poll votes may be given either personally or by proxy.
- 7.4.1 The appointment of a proxy shall be in any usual or common form or in any other form which the Board may approve and in the case of an individual shall be signed by the appointor or his attorney or in the case of a corporation either given under its common seal or signed by an authorised officer or attorney. A proxy need not be a Member of the Exchange.
- 7.4.2 The appointment of a proxy and the power of attorney or other authority if any under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Exchange or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, at least forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll at least twenty-four hours

before the time appointed for the taking of the poll and in default the appointment of the proxy shall not be treated as valid.

- 7.4.3 The appointment of a proxy contained in an electronic communication must be received at the address specified for the purpose of receiving electronic communications in the notice convening the meeting, in any instrument of proxy sent out by the Exchange in relation to the meeting or in any invitation contained in an electronic communication to appoint a proxy issued by the Exchange.
- 7.4.4 The appointment of a proxy shall be made in the following form or a form as near thereto as circumstances admit:-

“I/We  
“of  
“in the County of \_\_\_\_\_, being a  
“Member/Members of the Traidcraft Exchange,  
hereby  
“appoint  
“of  
“or failing him/her  
“of  
“as my/our proxy to vote for me/us on my/our behalf at  
“the (Annual or Extraordinary as the case may be)  
“General Meeting of the Traidcraft Exchange to be held on the “day of  
\_\_\_\_\_ 20\_\_\_\_ and at any adjournment thereof.  
“Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.”

7.4.5 The appointment of a proxy shall be deemed to include the right to demand or join in demanding a poll.

## 8. CORPORATIONS ACTING BY REPRESENTATIVES AT MEETINGS

Any corporation which is a Member may by resolution of its committee or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Exchange, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual. The Founder Member shall be treated as a corporation for these purposes.

## 9. DIRECTORS

- 9.1 The number of Directors shall be at least three and at most twenty.
- 9.2 Any Director for the time being who is a solicitor or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business done by him or her or his or her firm when instructed to act in a professional capacity on behalf of the Exchange 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 firm, is under consideration.

9.3 The Directors for the time being whether or not being a solicitor or other person engaged in a profession or business shall be paid all reasonable out of pocket expenses properly incurred by them in attending and returning from Directors' meetings or General Meetings of the Exchange or in connection with the activities of the Exchange.

9.4 Subject to the following Article the Directors may at any time appoint any Member of the Exchange as a director to fill a casual vacancy or by way of addition to the Board within the prescribed maximum. Any director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election.

9.5 No person who is not a Member of the Exchange shall be entitled to hold office as a Director and no person shall be appointed or re-appointed a Director of the Exchange who has not.

9.5.1 been approved by the Founder Member; and

9.5.2 immediately before the appointment signed the following declaration:-

“I declare that I subscribe to the Apostles' Creed, that I am in full sympathy with the Objects of Traidcraft Exchange and with Traidcraft's Foundation Principles, and that I am in sympathy with Traidcraft's Basis of Faith (copies of which are attached to this declaration)”.

## 10. POWERS AND DUTIES OF DIRECTORS

10.1 The activities of the Exchange shall be managed by the Directors who may pay all expenses incurred in the formation of the Exchange and may exercise all such powers of the Exchange as are not by the Acts or by these Articles required to be exercised by the Founder Member or by the Exchange in General Meeting, subject nevertheless to the provisions of the Acts or these Articles and to such regulations (not being inconsistent with the aforesaid provisions) as may be prescribed by the Exchange in General Meeting but no regulation made by the Exchange in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

10.2 The Directors may from time to time and at any time by power of attorney appoint any company firm or person or body of persons whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Exchange for such purposes and with such powers authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit and any such powers of attorney may contain

such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit.

- 10.3 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Exchange shall be signed drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Directors shall from time to time determine.
- 10.4 The Directors shall cause minutes to be made of all appointments of officers made by them of the names of the Directors present at each meeting of the Directors and of any committee of the Directors and of all resolutions and proceedings at all meetings of the Exchange and of the Directors and of committees of Directors and any such minutes if signed by the person chairing such meeting or the next succeeding meeting shall be sufficient evidence without any further proof of the facts therein stated.
- 10.5 The Directors may act notwithstanding any vacancy in the Board but if the number of Directors is less than the minimum prescribed herein they may only act as Directors to admit persons to membership of the Exchange, fill vacancies in the Board or summon a General Meeting.
- 10.6 The Directors may exercise all the powers of the Exchange to borrow money, and to mortgage or charge the whole or any part of its undertaking and property, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Exchange or of any third party.

## 11 DISQUALIFICATION OF DIRECTORS

### 11.1 The office of Director shall be vacated:-

- 11.1.1 At the end of the annual general meeting following the date on which the Director attains the age of seventy years unless at that Annual General Meeting and each following Annual General Meeting the Director is elected to hold office until the following Annual General Meeting.
- 11.1.2 Upon the Director becoming incapable of managing his or her affairs.
- 11.1.3 Upon the Director being declared bankrupt.
- 11.1.4 Upon the Director ceasing wholeheartedly to support the Objects of the Exchange, to adhere to its Doctrinal Basis or to desire to uphold the Foundation Principles.
- 11.1.5 Upon the Director being held to have ceased wholeheartedly to support the said Objects, to adhere to the Doctrinal Basis and to uphold the said Foundation Principles by unanimous resolution of the remaining Directors after examination by them all or after failing to attend within 30 minutes of the time notified for the meeting at which the Director was so to be examined.

- 11.1.6 Upon the Director becoming prohibited from being a Director by reason of any Order made under any provision of the Company Directors Disqualification Act 1986 or any other statute.
  - 11.1.7 Upon the Director being removed from office by a resolution duly passed pursuant to the Acts.
  - 11.1.8 Upon the Director being directly or indirectly interested in any contract with the Exchange and failing to declare the nature of that interest as required by Section 317 of the Companies Acts 1985.
  - 11.1.9 Upon the Director ceasing to be a Member of the Exchange.
  - 11.1.10 Upon the Director resigning his or her office by notice in writing to the Secretary of the Exchange.
- 11.2 A Director shall in the fourth and fifth cases above give notice of the circumstances in writing to the Secretary of the Exchange who shall (upon receipt of the same or upon it coming to the knowledge of the Secretary that any of the above cases has or may have arisen) place the matter on the Agenda for the next succeeding meeting of the Board:-
- 11.2.1 With a view to the choice of a Member for appointment (subject to Article 9.5 of these Articles of Association) as a Director in place of the Director who has given notice in writing as aforesaid.
  - 11.2.2 With a view to the setting in motion of enquiries to establish the facts in other cases and in order that when such facts have been established (whether by examination of a Director as aforesaid or otherwise) the choice may be made of a Member for appointment (subject to Article 9.5 of these Articles of Association) as a Director in place of a disqualified Director.
- 11.3 A Director shall not vote in respect of any contract in which that Director is interested or any matter arising out of it, and the vote of any such Director who does so vote shall not be counted.

## 12. ROTATION OF DIRECTORS

- 12.1 At the First Annual General Meeting of the Exchange all Directors shall retire from office and at the Annual General Meeting in every subsequent year one-third of the Directors for the time being or if their number is not three or a multiple of three then the number nearest one-third shall retire from office.
- 12.2 The Directors to retire every year shall be those who have been longest in office since their last election but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 12.3 A retiring Director shall be eligible for re-election.

- 12.4 The Exchange at the Meeting at which a Director retires in manner aforesaid may fill the vacated office by electing a Member thereto and in default the retiring Director shall if offering himself or herself for re-election be deemed to have been re-elected unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.
- 12.5 Without prejudice to the requirements imposed by Article 9 of these Articles no person other than a Director retiring at the meeting shall unless approved by the Founder Member be eligible for election to the office of Director at any General Meeting.
- 12.6 The Exchange may from time to time by ordinary resolution increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office.
- 12.7 In addition and without prejudice to the provisions of Section 303 of the Companies Act 1985 the Exchange may by Extraordinary Resolution remove any Director before his or her period of office expires (notwithstanding anything in these Articles or in any Agreement between the Exchange and such Director) and by an Ordinary Resolution appoint another Member in his or her stead but any person so appointed shall be subject to the requirements of Article 9.5 of these Articles and shall retain his or her office only so long as his or her predecessor would have done if he or she had not been removed.

### 13. PROCEEDINGS OF DIRECTORS

- 13.1 The Directors may meet together for the despatch of business adjourn and otherwise regulate their Meetings as they think fit. Questions arising at any Meeting shall be decided by a majority of votes. In the case of an equality of votes the person chairing the Meeting shall have a second or casting vote. A Director may and the Secretary on the requisition of a Director shall at any time summon a Meeting of the Directors. It shall not be necessary to give notice of a Meeting of Directors to any Director for the time being absent from the United Kingdom. Any Director may waive notice of any meeting and any such waiver may be retroactive. The quorum necessary for the transaction of the business shall be two.
- 13.2 The Directors, or a committee of the Directors, may hold meetings by video conferencing, internet video or by telephone (either by conference telephone connection(s) or by a series of telephone conversations) or by exchange of facsimile transmissions or emails each addressed to the Secretary. The views of the Directors, or a committee of the Directors, as ascertained by such telephone conversations, facsimile transmissions or emails communicated to the Secretary shall be treated as votes in favour of or against a particular resolution. A resolution passed at any meeting held in this manner and signed by the Chair shall be as valid and effectual as if it had been passed at a meeting of the Directors, (or, as the case may be, of that committee) duly convened and held.
- 13.3 The person who is from time to time the most senior executive officer of Traidcraft plc (Company registered number 1333367) shall be entitled to receive notice of and

to attend any meeting of the Directors and may speak but shall not vote nor shall purport to cast any vote at any meeting unless he is a Director.

13.4 The Directors may elect one of their number to chair their meetings and determine the period for which that person is to hold office but if no one is so elected or if at any Meeting the person holding office is not present within five minutes after the time appointed for holding the same the Directors present may choose one of their number to chair the Meeting.

13.5 The Directors may delegate to Committees either consisting of some one or more of the Directors with or without other persons whom the Directors may choose or consisting of other persons likewise chosen all or any of the powers authorities and discretions conferred on them by these Articles save those conferred by the following Articles:-

<u>Article no</u>	<u>Summary of Topic</u>
3.4, 3.8	Form of Application for Membership
3.7	Members sympathy with Objects etc
7.3	Disentitlement to vote at General Meeting
9	Directors (incl their qualifications)
10.2	Appointment of Attorneys
10.3	Signatories to cheques etc
10.6	Borrowing powers
11.1	Disqualification of Directors
14.1	Appointment of Secretary
19	Appointment of Chief Executive
20	Dissolution
21	Rules or Byelaws

13.5.2 The Meetings and proceedings of any such Committee shall be governed by the provisions of these Articles for regulating the Meetings and proceedings of the Board insofar as they are not superseded by any regulations made by the Directors. All acts and proceedings of any such Committee shall be reported to the Directors as soon as reasonably practicable.

13.6 All Acts done by any Meeting of the Directors or of a Committee of or appointed by the Directors or by any person acting as a Director or as Chief Executive (or other senior executive officer) shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director or Chief Executive (or other senior executive officer) as the case may require.

13.7 A resolution in writing signed by a majority of two-thirds of the Directors for the time being entitled to receive notice of a Meeting of the Directors shall be as valid and effectual as if it had been passed at a Meeting of the Directors duly convened and held and may consist of one document or of two or more documents in like words each signed by one or more Directors.

## 14. THE SECRETARY

- 14.1 The Secretary shall be appointed by the Directors for such term at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them.
- 14.2 A provision of the Acts or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary.

## 15. THE SEAL

The Directors shall provide for the safe custody of the Seal which shall only be used by the authority of the Directors or of a Committee of the Directors authorised by the Directors in that behalf and every instrument to which the Seal shall be affixed be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.

## 16. ACCOUNTS

- 16.1 The Directors shall cause proper books of account to be kept with respect to:-
- 16.1.1 All sums of money received and expended by the Exchange and the matters in respect of which the receipt and expenditure takes place;
- 16.1.2 All sales and purchases of goods by the Exchange; and
- 16.1.3 The assets and liabilities of the Exchange.
- 16.2 Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the Exchange's affairs and to explain its transactions.
- 16.3 The books of account should be kept at the registered office of the Exchange or subject to the Acts at such other place or places as the Directors think fit and shall always be open to inspection by the Directors and by the Founder Member.
- 16.4 Subject to the immediately-preceding Article of these Articles of Association the Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Exchange or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Exchange except as conferred by Statute or authorised by the Directors or by the Exchange in General Meeting.
- 16.5 The Directors shall from time to time in accordance with the requirements of the Acts cause to be prepared and to be laid before the Exchange in General Meeting such receipt and expenditure account, balance sheet, group accounts (if any) and reports as are referred to in those Acts.

- 16.6 A copy of every balance sheet (including every document required by law to be annexed to it) which is to be laid before the Exchange in General Meeting together with a copy of the auditor's report shall at least twenty-one days before the date of the meeting be sent to the Trustees of the Traidcraft Foundation and to every Member and every holder of debentures of the Exchange PROVIDED that this Article shall not require a copy of those documents to be sent to any person of whose address the Exchange is not aware or to more than one of the joint holders of any debentures.
- 16.7 The Company shall prepare social accounts drawn up in accordance with applicable standards and make them available to members and other persons in such manner and on such basis as the directors think fit.

## 17. AUDIT

Auditors shall be appointed and their duties regulated in accordance with the Acts.

## 18. NOTICES

### 18.1 A notice may be given by the Exchange:

18.1.1 To the Founder Member by giving the same in writing to each of the Trustees, by sending the same by post to each of the Trustees or by sending the same by means of an electronic communication to each of the Trustees at the address provided by each of them for this purpose.

18.1.2 To any Member either personally or by sending it by post or by means of an electronic communication to that Member at his address either entered on the register or notified for the purpose or (if the Member has no registered address in the United Kingdom) to the address if any within the United Kingdom supplied by the Member to the Exchange for the giving of notice to that Member, or by delivering it to such address.

18.1.3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice and to have been effected in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same was posted (or, in the case of a notice contained in an electronic communication sent) and in any other case at any time at which the letter would be delivered in the ordinary course of post.

### 18.2 Notice of every General Meeting shall be given in any manner authorised by these Articles to:-

18.2.1 The Founder Member and to every Member except those Members who (having no registered address within the United Kingdom) have not supplied to the Exchange an address within the United Kingdom for the giving of notice to them.

18.2.2 The auditor for the time being of the Exchange.

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

## 19. THE CHIEF EXECUTIVE

- 19.1 The Directors may from time to time appoint one of their number or such other person as they may choose to be the Chief Executive (or other senior executive officer) of the Exchange for such period and upon such terms as they think fit and may vest in such person such of the powers hereby vested in the Directors generally as they may think fit (save those excepted from delegation by Article 13.4 of these Articles) and such powers may be exercisable for such period or periods and upon such conditions and subject to such restrictions as the Directors may determine. A Chief Executive (or other senior executive officer) shall report his or her acts and decisions to the Directors as soon as possible.
- 19.2 A Chief Executive (or other senior executive officer) shall, subject to the provisions of Clause 5 of the Memorandum and of any contract between him or her and the Exchange, be subject to the same provisions as to resignation and removal as the Directors of the Exchange.

## 20. DISSOLUTION

Clause 9 of the Memorandum of Association relating to the winding up and dissolution of the Exchange shall have effect as if the provisions thereof were repeated in these Articles.

## 21. RULES OR BYE-LAWS

- 21.1 The Directors may from time to time make such rules or bye-laws as they may deem necessary or convenient for the proper conduct and management of the Exchange and in particular but without prejudice to the generality of the above, may by such rules or bye-laws regulate:-
- 21.1.1 The admission and classification of Members and the rights and privileges of Members, the conditions of their membership and the terms on which Members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by Members; but for the avoidance of doubt the Directors shall have no power to make rules or bye-laws regulating such matters in relation to the Founder Member;
- 21.1.2 The conduct of Members in relation to one another and to the Exchange's employees;
- 21.1.3 The setting aside of the whole or any part or parts of the Exchange's premises at any particular time or times or for any particular purpose or purposes;
- 21.1.4 The procedure at General Meetings and meetings of the Directors and Committees insofar as such procedure is not regulated by these Articles; and

- 21.1.5 Generally all such matters as are commonly the subject matter of the rules of an association constituted in like manner to the Exchange.
- 21.2 The Exchange in General Meeting shall have power to alter or repeal the rules or bye-laws and to make additions to them, and the Directors shall adopt such means as they deem sufficient to bring to the notice of Members of the Exchange all such rules or bye-laws, which so long as they shall be in force shall be binding on all Members of the Exchange provided nevertheless that no rule or bye-law shall be inconsistent with or shall affect or repeal anything contained in the Memorandum or Articles of Association of the Exchange.
- 21.3 Notwithstanding the preceding provisions of these Articles and in particular (but without limitation) the provisions of this Article 21 it shall not be within the powers of the Directors or of the Exchange in General Meeting to alter the provisions of Articles 3.8 and 9.5 without the consent of the Founder Member in such a way as to remove the requirements for declarations to be made in the circumstances described in those Articles respectively nor to alter (or delegate the exercise of the powers of the Directors by virtue of) the provisions of Articles 11.1.5 and 11.3.

## 22. INDEMNITY

- 22.1 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 Exchange shall be indemnified against any liability incurred by him or her in defending any proceedings, whether civil or criminal, in which judgment is given in his or her favour or in which he or she is acquitted or in connection with any application in which relief is granted to him or her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Exchange or in relation to the affairs of any other body in relation to whose affairs such Director officer or employee has undertaken any duty at the request of the Exchange by virtue of that person being such Director officer or employee, and against all costs, charges, losses, expenses or liabilities incurred by him or her in the execution and discharge of his or her duties or in relation thereto.
- 22.2 The Directors shall have power to resolve pursuant to Clause 4.18 of the Memorandum of Association to effect trustee's indemnity insurance notwithstanding their interest in such policy.