

The Companies Act 1985 and 1989  
Company Limited by Guarantee and not having a Share Capital

Memorandum of Association of The British Stammering Association  
(as amended at an Extraordinary General Meeting on 19<sup>th</sup> August, 2006)

1. The Company's name is The British Stammering Association (and in this document it is called "the Charity").
2. The Charity's registered office is to be situated in England and Wales.
3. The Charity's objects (the "Objects") are
  - (1) the relief and support of all whose lives are affected by stammering
  - (2) to advance the education and training of the public in all matters relating to stammering
4. In furtherance of the Objects but not otherwise the Charity may exercise the following powers:
  - (1) to link together individual stammerers and existing groups of stammerers and to encourage the formation of new groups;
  - (2) to undertake research into the causes and treatment of stammering and to publish the useful results of such research, or to support such research or publication;
  - (3) to collect and disseminate information;
  - (4) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank and other accounts in the name of the Charity;
  - (5) to raise funds and to invite and receive contributions: provided that in raising funds the Charity shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations;
  - (6) to acquire, alter, improve and (subject to such consents as may be required by law) to charge or otherwise dispose of property;
  - (7) subject to Clause 5 below to employ such staff, who shall not be directors of the Charity (hereinafter referred to as "the trustees"), as are desirable for the proper pursuit of the Objects and to make all reasonable provision for the payment of pensions and superannuation to staff and their dependants;
  - (8) to establish or support any charitable trusts, associations or institutions formed for all or any of the Objects, or similar charitable purposes;
  - (9) to co-operate with other charities, voluntary bodies and statutory authorities operating in furtherance of the Objects or similar charitable purposes and to exchange information and advice with them;
  - (10) to pay out of the funds of the Charity the costs, charges and expenses of and incidental to the formation and registration of the Charity;
  - (11) to deposit or invest funds in any lawful manner (but to invest only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification);
  - (12) to delegate the management of investments to a financial expert, but only on terms that:
    - (a) the investment policy is recorded in writing for the financial expert by the trustees;
    - (b) every transaction is reported promptly to the trustees;
    - (c) the performance of the investments is reviewed regularly with the trustees;
    - (d) the trustees are entitled to cancel the delegation arrangement at any time;
    - (e) the investment policy and the delegation arrangement are reviewed at least once each calendar year;
    - (f) all payments due to the financial expert are on a scale or at a level which is agreed in advance;
    - (g) the financial expert must not do anything outside the powers of the trustees;
  - (13) to arrange for investments or other property of the Charity to be held in the name of a nominee (being a body corporate registered or having an established place of business in England and Wales) under the control of the trustees or of a financial expert acting under their instructions and to pay any reasonable fee required;

- (14) to give or receive any guarantee or indemnity;
- (15) to establish, promote and otherwise assist any other bodies furthering in any way the Objects or to undertake trading and to establish either as wholly owned subsidiaries of the Charity or jointly with other persons, companies, government departments or local authorities and to finance such limited company or companies or other body by way of loan or share subscription on commercial terms provided that the Charity shall seek professional legal advice before financing such;
- (16) to insure any risks arising from the Charity's activities;
- (17) to provide indemnity insurance to cover liability of the trustees:
  - (i) 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 Charity;
  - (ii) to make contributions to the assets of the Charity in accordance with the provisions of section 214 of the Insolvency Act 1986.

Any such insurance in the case of (17) (i) shall not extend to:

- (i) any liability resulting from conduct which the trustees knew, or must be assumed to have known was not in the best interests of the Charity, or which the trustees did not care whether it was in the best interests of the Charity or not;
- (ii) any liability to pay the costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud or dishonesty or wilful or reckless misconduct of the trustees;
- (iii) any liability to pay a fine.

Any insurance in the case of (17) (ii) shall not extend to any liability to make such a contribution where the basis of the trustee's liability is his knowledge prior to the insolvent liquidation of the Charity (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Charity would avoid going into insolvent liquidation;

(18) to do all such other lawful things as shall further the achievement of the Objects.

5. The income and property of the Charity shall be applied solely towards the promotion of the Objects and no part shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to members of the Charity, and no trustee shall be appointed to any office of the Charity paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Charity: Provided that nothing in this document shall prevent individual members who are not trustees but who are beneficiaries from receiving charitable benefits in that capacity, nor prevent any payment in good faith by the Charity:
  - (1) of the usual professional charges for business done by any trustee who is a solicitor, accountant or other person engaged in a profession, or by any partner of his or hers, when instructed by the Charity to act in a professional capacity on its behalf: Provided that at no time shall a majority of the trustees benefit under this provision and that a trustee shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion;
  - (2) of reasonable and proper remuneration for any services rendered or goods supplied to the Charity by any member, officer or servant of the Charity who is not a trustee;
  - (3) of interest on money lent by any member of the Charity or trustee at a reasonable and proper rate per annum;
  - (4) of fees, remuneration or other benefit in money or money's worth to any company of which a trustee may also be a member holding not more than 1/100<sup>th</sup> part of the issued capital of that company;

- (5) of reasonable and proper rent or license fee for premises demised or let or licensed or chattels hired out by any member of the Company or a trustee;
  - (6) to any trustee of reasonable out-of-pocket expenses.
  - (7) of reasonable and proper premiums in respect of any indemnity insurance within paragraph 4(17); Provided that any such insurance shall not extend to any claim arising from the liability resulting from conduct which the trustees knew, or must be assumed to have known, was not in the best interests of the Charity, or which the trustees did not care whether it was in the best interests of the Charity or not and provided also that any such insurance shall not extend to any claim arising from liability for the costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud or dishonesty or wilful or reckless misconduct of the trustees; or
  - (8) of any payment due to a trustee under the indemnity provisions set out in the Articles of Association.
6. The liability of the members is limited.
  7. Every member of the Charity undertakes to contribute such amount as may be required (not exceeding £1) to the Charity's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Charity's debts and liabilities contracted before he or she 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.
  8. If the Charity is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property it shall not be paid to or distributed among the members of the Charity, but shall be given or transferred to some other charity or charities having objects similar to the Objects, which prohibits distribution of its or their income and property amongst its or their members to an extent at least as great as that required by this Memorandum of Association, chosen by the members of the Charity at or before the time of dissolution and if that cannot be done then to some other charitable object.
  9. Words and expressions defined in the Articles have the same meanings in this Memorandum.