

**COMPANY LIMITED BY GUARANTEE**  
**MEMORANDUM OF ASSOCIATION OF**  
**SOUTH CUMBRIA RIVERS TRUST LIMITED**

1. The company's name is SOUTH CUMBRIA RIVERS TRUST LIMITED (and in this document is called the Charity).
2. The Charity's registered office is to be situated in England.
3. The Charity's objects (the Objects) are:-
  - (1) To conserve and protect and when necessary rehabilitate and improve biodiversity of the lakes, rivers and streams of South Cumbria including adjacent coastal waters for the public benefits.
  - (2) To advance the education of the public, companies and public bodies in:-
    - a) the understanding of lakes and rivers including their fauna, flora, socio-economic and amenity value and the management of water.
    - b) The need for, and benefits of, conservation, protection, rehabilitation and improvement of the aquatic environment.
- 4.1 In addition to any other powers it may have, the Charity has the following powers in order to further the Objects (but not for any other purpose):
  - (a) to raise funds. In doing so, the Charity must not undertake any substantial permanent trading activity and must comply with any relevant statutory regulations;
  - (b) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
  - (c) to sell, lease or otherwise dispose of all or any part of the property belonging to the Charity. In exercising this power, the Charity must comply as appropriate with sections 36 and 37 of the Charities Act 1993;
  - (d) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
  - (e) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
  - (f) to acquire, merge with or to enter into any partnership or joint venture arrangements with any other charity formed for any of the Objects;
  - (g) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
  - (h) to employ and remunerate such staff as are necessary for carrying out the work of the Charity. The Charity may employ or remunerate a Director only to the

extent it is permitted to do so by clause 5 and provided it complies with the conditions in that clause;

- (i) to:
  - i) deposit or invest funds;
  - ii) employ a professional fund-manager; and
  - iii) arrange for the investments or other property of the Charity to be held in the name of a nominee;

in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

- (j) to provide indemnity insurance for the Directors or any other officer of the Charity in relation to any such liability as is mentioned in sub-clause 2 of this clause, but subject to the restrictions specified in sub-clause 3 of the clause;
- (k) to pay out of the funds of the Charity the costs of forming and registering the Charity both as a company and as a charity;
- (l) to do all such other lawful things as are necessary for the achievement of the Objects;

4.2 The liabilities referred to in sub-clause 4.1(j) are:

- (a) any liability that by virtue of any rule of law would otherwise attach to a director of a company in respect of any negligence, default breach of duty or breach of trust of which he or she may be guilty in relation to the Charity;
- (b) the liability to make a contribution to the Charity's assets as specified in section 214 of the Insolvency Act 1986 (wrongful trading).

4.3 (a) The following liabilities are excluded from sub-clause 4.2(a):

- (i) fines;
  - (ii) costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud, dishonesty or wilful or reckless misconduct of the Director or other officer;
  - (iii) liabilities to the Charity that result from conduct that the Director or other officer knew or must be assumed to have known was not in the best interests of the Charity or about which the person concerned did not care whether it was in the best interests of the Charity or not.
- (b) There is excluded from sub-clause 4.2(b) any liability to make such a contribution where the basis of the Director's liability is his or her 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.

5.1 The income and property of the Charity shall be applied solely towards the promotion of the Objects.

- 5.2 (a) A Director is entitled to be reimbursed from the property of the Charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Charity.
- (b) Subject to the restrictions in sub-clauses 4.2 and 4.3, a Director may benefit from trustee indemnity insurance cover purchased at the Charity's expense.
- 5.3 None of the income or property of the Charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Charity. This does not prevent a member who is not also a Director receiving:
- (a) a benefit from the Charity in the capacity of a beneficiary of the Charity;
- (b) reasonable and proper remuneration for any goods or services supplied to the Charity.
- 5.4 No Director may:
- (a) buy goods or services from the Charity;
- (b) sell goods, services or any interest in land to the Charity;
- (c) be employed by or receive any remuneration from the Charity;
- (d) receive any other financial benefit from the Charity;
- unless the payment or transaction is previously and expressly authorised in writing by the Charity Commission.
6. The liability of the members is limited.
7. Every member promises, if the Charity is dissolved while he or she is a member or within twelve months after he or she ceases to be a member, to contribute such sum (not exceeding £10) as may be demanded of him or her towards the payment of the debts and liabilities of the Charity incurred before he or she ceases to be a member, and of the costs charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves.
- 8.1 The members of the Charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Charity be applied or transferred in any of the following ways:
- (a) directly for the Objects; or
- (b) by transfer to any charity or charities for purposes similar to the Objects; or
- (c) to any charity for use for particular purposes that fall within the Objects;
- 8.2 Subject to any such resolution of the members of the Charity, the Directors of the Charity may at any time before and in expectation of its dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision made for them, shall on dissolution of the Charity be applied or transferred:

- (a) directly for the Objects; or
- (b) by transfer to any charity or charities for purposes similar to the Objects; or
- (c) to any charity or charities for use for particular purposes that fall within the Objects.

8.3 In no circumstances shall the net assets of the charity be paid to or distributed among the members of the Charity (except to a member that is itself a charity) and if no such resolution is passed by the members or the Directors the net assets of the Charity shall be applied for charitable purposes as directed by the court or the Commission.

We, the person whose names and addresses are written below, wish to be formed into a company under this Memorandum of Association.

Names of Subscribers:

1. Lord Cavendish of Furness DL:
2. Mark Southern
3. Dickon P R Knight
4. W John Chaplin
5. John Cleaver
6. Julius Barratt
7. Jeffrey Carroll
8. Frederick French
9. Christopher Potts
10. Dr Roger Sweeting
11. Hal Bagot
12. Dr Grahame Hall
13. Chris Preston: