

MEMORANDUM
OF ASSOCIATION OF
NAACE
THE COMPANIES ACTS 1985 AND 1989
COMPANY UNITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

Adopted by special resolution on [17 May 2008]

1. The Company's name is NAACE (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:
 - 3.1. to advance education through encouraging the appropriate and effective use of information and communication technology (ICT) and to offer support to those engaged in related activities;
 - 3.2. to promote such other charitable purposes as the Board of Management may from time to time determine
4. In furtherance of the Objects but not otherwise the Charity may exercise the following powers:
 - 4.1. to provide information, support and professional development to those involved in any way in e-learning, the use of ICT and the teaching of ICT in education;
 - 4.2. to be involved in the development and evolution of national strategies for ICT and e-learning and to provide a forum for consultation on all matters relating to e-learning, the use of ICT and the teaching of ICT in education;
 - 4.3. to advise national and other bodies on matters relating to e-learning, the use of ICT and the teaching of ICT in education;
 - 4.4. to advise organisations concerned with the supply of computer hardware, software and digital learning resources in support of e-learning, the use of ICT and the teaching of ICT in education.
 - 4.5. subject to clause 5 below to employ such staff (who shall not be Members of the Board of Management) as are necessary for the proper pursuit of the Objects and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants

- 4.6. to recruit or assist in the recruitment and management of voluntary workers in and for the promotion of the Objects
- 4.7. to acquire alter improve construct maintain and to charge deal with or otherwise dispose of property
- 4.8. to sell let mortgage dispose of or turn to account all or any of the property or assets of the Charity and to let property owned by the Charity at nominal or non commercial rents to bodies who are in the opinion of the Board of Management carrying out the Objects set out above
- 4.9. to borrow money or raise money on such terms and on such security as the Board of Management may think fit including powers to mortgage all or any part or parts of the property owned by the Charity as the Board of Management may think fit, to issue debentures and to create floating charges over the Charity's property
- 4.10. 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
- 4.11. to draw make accept endorse discount execute and issue promissory notes bills cheques and other instruments and to operate bank accounts in the name of the Charity
- 4.12. to invest the moneys of the Charity not immediately required for its purposes in or upon such investments securities or property of whatsoever nature as the Board of Management shall in their absolute discretion think fit including (without prejudice to the generality of the foregoing) to invest in shares of subsidiary companies formed for the purpose of raising funds for the Objects
- 4.13. to engage the services of such investment adviser or advisers as the Board of Management may from time to time think fit ("the Investment Adviser") to advise the Board of Management in respect of investments made by the Charity with power for the Board of Management without being liable for any consequent loss to delegate to the Investment Adviser discretion to manage all or any part of the investments within the limits and for the period stipulated by the Board of Management and the Board of Management shall settle the terms and conditions for the remuneration of the Investment Adviser and the reimbursement of the Investment Adviser's expenses shall be paid by the Charity . The appointment of the Investment Adviser shall be subject to the following conditions:
 - 4.13.1. every transaction carried out by the Investment Adviser under delegated powers shall be reported to the Board of Management within 14 days;
 - 4.13.2. the Investment Adviser shall report generally at regular intervals upon the current state past performance and future prospects of the investments of the Charity;
 - 4.13.3. the Board of Management shall be entitled at any time and without notice to review revoke or alter the delegation or the terms thereof; and

- 4.13.4. the Board of Management shall be bound to review the arrangements for delegation and the policy and objectives at least once in every twelve months.
- 4.14. to insure any asset of the Charity on such terms as the Board of Management may think fit and to pay the appropriate premiums and to use any insurance money received in any manner the Board of Management think fit whether to restore the asset or not
- 4.15. to insure and arrange insurance cover for and to indemnify its members servants and voluntary workers from and against all such risks incurred in the proper performance of their duties as may be thought fit
- 4.16. to pay any premium in respect of any indemnity insurance to cover the liability of the Board of Management (or any of them) 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 shall be guilty in relation to the Charity or against any liability incurred by the Board of Management (or any of them) in their capacity as members of the Board of Management in defending any criminal proceedings in which judgement is given in their favour; provided that any such insurance shall not extend to any claim arising from any act or omission which the Board of Management (or any of them) knew was a breach of duty or breach of trust or which was committed by the Board of Management (or any of them) in reckless disregard of whether it was a breach of duty or breach of trust or not
- 4.17. to establish or support (financially or otherwise) any charitable trusts associations or institutions formed for all or any of the Objects
- 4.18. 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
- 4.19. 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
- 4.20. to do all such other lawful things as are necessary for 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 member of the Board of Management 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 shall prevent any payment in good faith by the Charity of
 - 5.1. reasonable and proper remuneration for any services rendered to the Charity by any member officer or servant of the Charity who is not a member of the Board of Management

- 5.2. reasonable and proper remuneration for any services rendered to the Charity by any member of the Board of Management of the Charity (or person connected with such member), provided that in each case the Charity complies with the provisions of paragraphs 43 – 45 of the Charity's articles of association
- 5.3. interest on money lent by any member of the Charity or any member of the Board of Management at a reasonable and proper rate per annum not exceeding two per cent less than the published base lending rate of a clearing bank to be selected by the Board of Management
- 5.4. fees remuneration or other benefit in money or money's worth to any company of which a member of the Charity or a member of the Board of Management may also be a member holding not more than 1/100th part of the issued capital of that company
- 5.5. reasonable and proper rent for premises demised or let to the Charity by any member of the Charity or a member of the Board of Management
- 5.6. reasonable out-of-pocket expenses to any member of the Board of Management
- 5.7. any premium in respect of indemnity insurance to cover the liability of the Board of Management (or any of them) 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 shall be guilty in relation to the Charity or against any liability incurred by the Board of Management (or any of them) in their capacity as members of the Board of Management in defending any criminal proceedings in which judgement is given in their favour provided that any such insurance shall not extend to any claim arising from any act or omission which the Board of Management (or any of them) knew was a breach of duty or breach of trust or which was committed by the Board of Management (or any of them) in reckless disregard of whether it was a breach of duty or breach of trust or not.
- 5.8. the usual professional charges for business done by any member of the Board of Management 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 members of the Board of Management benefit under this provision and that a member of the Board of Management shall withdraw from any meeting at which his or her appointment or remuneration or that of his or her partner is under discussion
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 and which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Charity by Clause 5 above 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