

THE COMPANIES ACTS 1985 AND 1989

**COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

MEMORANDUM OF ASSOCIATION

of

WATCHTREE NATURE RESERVE LIMITED (the “Company”)

1. The Company’s name is Watchtree Nature Reserve Limited.
2. The Company’s registered office is to be situated in England and Wales.
3. The objects for which the Company is established are:
 - (A) (i) to carry on business as development and general service/management company;
 - (ii) to promote for the public benefit the Watchtree site in Cumbria (the Site, as defined below) and its environs, in particular by associating local community organisations in a common effort to advance education, to relieve poverty, need and hardship, to provide facilities for leisure time occupation in the interests of social welfare, and to conserve and improve the environment;
 - (iii) to do all such things as are incidental or conducive to the carrying on of any trade or business by it.
- (B) to pay out of the Company’s funds the costs incurred in forming the Company;
- (C) to acquire and hold a leasehold interest in the land at Watchtree, Cumbria (the “Site”).
- (D) to develop, manage and maintain the Site as a nature reserve and for such purpose to employ all workmen, contractors, agents and professional advisors as may be necessary or desirable and to enter into all contracts and execute all deeds as shall be requisite;
- (E) to purchase, take on lease or on hire or otherwise acquire, hold, develop, sell, hire out, grant leases or licences or otherwise dispose of or deal with property of all and any kinds including the Site and any interest, right or privilege in any such property, for such consideration and on such terms as may be considered expedient;
- (F) to provide services of every description in relation to the Site and to arrange for the supply to the Site or any other property in which the Company has an interest of services and amenities and the maintenance of the same and the cultivation maintenance landscaping

and planting of any land gardens and grounds comprised in the Site and to employ appropriate staff and managing or other agents;

- (G) to purchase, subscribe for or otherwise acquire, and hold, sell or otherwise dispose of and deal with, any shares, stocks, debentures, bonds or securities of any other company;
- (H) to insure the Site or any other property of the Company or in which it has an interest against damage or destruction and such other risk as may be considered necessary appropriate or desirable and to insure the Company against public liability and any other risk that it may consider prudent or desirable to insure against;
- (I) to invest and deal with the monies of the Company not immediately required for the purpose of its business in or on such investments or securities and in such manner as may be considered expedient, and to hold, dispose of or deal with any such investments or securities;
- (J) to enter into any partnership or into any arrangement for sharing profits or to amalgamate with or subsidise or otherwise assist any person or company carrying on or proposing to carry on any trade or business;
- (K) to lend or advance money or give credit to such persons or companies and on such terms as may be considered expedient, and to receive money on deposit or loan from any person or company;
- (L) to borrow and raise money and to obtain and utilise banking facilities of any nature on any terms and for any purposes, including but not limited to facilities for the issue by any bank or financial institution of bonds, guarantees, indemnities, documentary and other credits to any person in respect of the obligations or purported obligations of the Company, and to give counter-indemnities on any terms to any banks or financial institutions issuing such bonds, guarantees, indemnities, documentary or other credits and to secure any debt or liability by mortgages of or charges on all or any part of the undertaking, property, assets, revenues (present or future) of the Company and by the creation and issue on any terms of debentures or other securities of any description;
- (M) to enter into any guarantee, bond, indemnity or counter-indemnity and otherwise give security or become responsible for the performance of any obligations or the discharge of any liabilities of or by any person or company in any manner on any terms and for any purposes, whether with or without the Company receiving any consideration or advantage and whether or not in furtherance of the attainment of any other objects and in particular (without limitation) to give indemnity for, or to guarantee, support or secure, by personal covenant or by mortgaging or charging all or any part of the undertaking, property, assets and revenues (present and future), or by all or any of such methods, or in any other manner, the payment or repayment of any moneys secured by, or payable under or in respect of, any debts, obligations or securities whatsoever and the discharge of any liabilities;
- (N) to form, promote, finance or assist any other company, whether for the purpose of acquiring all or any of the undertaking, property and assets of the Company or for any other purpose which may be considered expedient;

- (O) to subscribe or guarantee money for any national, charitable, benevolent, public, general, political or useful object, and to undertake and execute any trusts the undertaking of which may be considered expedient, either gratuitously or otherwise;
- (P) to enter into any arrangement with any government or other authority, supreme, municipal, local or otherwise, and to obtain from any such government or authority any rights, concessions, privileges, licences and permits, and to carry out, exercise and comply with any of them and to promote any legislation, as may be considered expedient;
- (Q) to remunerate any person or company rendering services to the Company in any manner and to pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company and of any other company formed, promoted, financed or assisted by the Company, or which the Company shall consider to be in the nature of preliminary expenses in relation to the Company or any such other company;
- (R) to carry on any trade or business which may seem capable of being advantageously or conveniently carried on in connection with or as ancillary to any of the above businesses or calculated directly or indirectly to enhance the value of or render profitable any of the property of the Company or to further any of its objects and to do all other things as may be incidental or conducive to the attainment of any of the objects;
- (S) to do all or any of the above things in any part of the world, either alone or in conjunction with others, and either as principals, agents, contractors, trustees or otherwise and either by or through agents, contractors, trustees or otherwise.

The objects specified in each of the sub-clauses of this clause shall be regarded as independent objects and accordingly shall in no way be limited or restricted (except where otherwise expressed) by reference to or inference from the terms of any other sub-clause or the name of the company, but may be carried out in as full and ample a manner and construed in as wide a sense as if each defined the objects of a separate and distinct company.

4. The income and capital of the Company must be applied solely towards the promotion of the objects. No part of the income or capital 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:
 - 4.1 reasonable and proper remuneration to any officer, employee, or member of the Company in return for any services provided to the Company;
 - 4.2 a reasonable rate of interest on money lent to the Company;
 - 4.3 reasonable rent for property let to the Company;
 - 4.4 expenses to any officer, employee or member of the Company;
 - 4.5 payments for professional services rendered to the company; or
 - 4.6 other payments permitted to be made to the members of the Company by the memorandum of association.

5. The liability of the members is limited.
6. If the Company is wound up while a person is a member or within one year after that person ceases to be a member, every member of the Company will contribute such amount as may be required not exceeding £1.00 to the assets of the Company, for payment of the Company's debts and liabilities accrued before the member ceases to be a member, and of the costs and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
7. 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 must not be paid or transferred to any or all of the members of the Company. Instead it must be paid or transferred to one or more companies, organisation or institutions that exist for the purposes similar to the objects, each of which has restrictions in its constitution or governing instrument on the distribution of profits and surpluses that are as least as restrictive as those in this memorandum of association. The companies, organisations or institutions will be approved by the members of the Company at or before the winding up or dissolution. If the directors are unable to identify any similar companies, organisations or institutions then they may pay or transfer the surplus to any charity or charities.

We, the subscribers to this memorandum of association, wish to be formed into a company pursuant to this memorandum.

Names and addresses of subscribers

Signatures

Date: 2004

Witness to the above signatures: