

THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
OF
UK Competitive Telecommunications Association
Company number 4769611

1. INTERPRETATION

1.1 In these Articles the following terms shall have the following meanings:

"Act"	the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;
"Articles"	the articles of association of the Company for the time being in force;
"Associate Member"	as defined in Article 2.1;
"Authorised Representative"	the Member if an individual, or the representative appointed by each Member not being an individual pursuant to Article 2.7;
"Board"	the board of Directors of the Company from time to time;
"clear days"	(in relation to the period of a notice) that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"Chairman"	the chairman of the Board;
"Company"	this company;
"Director"	a director of the Company;
"executed"	includes any mode of execution permitted by law;
"Full Member"	as defined in Article 2.1;
"Member"	a member of the Company in accordance with the provisions of the Articles;
"Membership Committee"	the committee established by the Board in accordance with Article 2.11;
"Membership Fee"	the fees payable by Members as specified in the Rules;

"Memorandum"	the memorandum of association of the Company as originally adopted or as amended from time to time;
"Nominating Member"	of any Director, the Full Member of whom the Director is the Authorised Representative;
"Office"	the registered office of the company;
"OFT"	Office of Fair Trading, including any lawful successor thereto;
"Persons"	shall include bodies corporate, unincorporated associations, partnerships or individuals;
"Rules"	the rules of the Company in force from time to time made by the Board or in general meeting pursuant to Article 18;
"Seal"	the common seal of the Company;
"Secretary"	the secretary of the Company or any other person appointed by the Board from time to time to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
"Sector"	shall have the meaning attributed to it in the Memorandum;
"United Kingdom"	Great Britain and Northern Ireland;
"Website"	the website maintained by the Company from time to time.

1.2 Unless the context otherwise requires, words or expressions contained in these regulations and in any Articles adopting the same in whole or in part bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.

1.3 Headings to the Articles are for convenience only.

1.4 Where the Memorandum or the Articles are amended by the Company in general meeting, the Board shall as soon as practical thereafter cause the affected document to be renumbered consistently (but without changing the order or arrangement of items) and the result to be published as the new Memorandum and Articles.

1.5 In the Articles one gender includes all genders.

2. MEMBERSHIP

2.1 There shall be two classes of membership: Full Members and Associate Members, each having the rights and obligations set out in the Articles and the Rules.

Full Members (save as otherwise provided in these Articles) shall be entitled to attend, speak and vote at general meetings of the Company.

Associate Members shall be entitled to attend and speak at general meetings of the Company but have no voting rights.

- 2.2 Each application for membership of the Company shall be submitted to the Secretary in writing. The Membership Committee shall be responsible, subject to the Rules, for approving or rejecting applications and for determining in to which class of membership (if any) the applicant or members of the Company immediately prior to the date of the adoption of these Articles shall be admitted.
- 2.3 Members shall be individuals, unincorporated associations, or bodies corporate involved in the Sector who wish to become Members and who support the objectives of the Company as expressed from time to time in the Articles and the Rules.
- 2.4 Every applicant shall either sign a written consent to become a Member or sign the register of members on becoming a Member. An applicant shall provide such evidence as the Board shall reasonably require to demonstrate that the person signing such consent or register of members is duly authorised to sign on the applicant's behalf.
- 2.5 Membership shall not be transferable save in the event of an amalgamation or reconstruction of a Member which is a body corporate, in which case the relevant membership shall only be transferable provided the Member's successor conforms with the requirements for membership of the Company in force from time to time and its membership is approved by the Membership Committee.
- 2.6 Every Member of the Company shall be bound to observe the Memorandum and Articles and the Rules.
- 2.7 Each Member shall have an Authorised Representative. The Authorised Representative of a Member who is (a) an individual shall be the Member himself and (b) not an individual shall be such person as is nominated by the Member and approved by the Board in accordance with these Articles. Each Member (other than an individual Member) shall upon being admitted to membership nominate an Authorised Representative and may at any time thereafter revoke such nomination and nominate a substitute. All such nominations shall be made in writing to the Secretary. The Board reserves the right to reject any nomination of any Authorised Representative if it concludes, acting reasonably, that the proposed nominee would be unable to make an appropriate and effective contribution to the operation of the Company and, if it so concludes, to require the relevant Member to nominate a different person as its Authorised Representative. The Board will inform the Member concerned, in writing, of any decision to reject a proposed nominee and the reasons for its decision.
- 2.8 If the Membership Committee rejects an application for membership or admits the applicant into a class of membership different from that set out in its application the applicant shall be entitled to appeal to the Board and the Board shall then give its decision in writing, including the reasons for its decision, as soon as reasonably practicable.
- 2.9 Where an application for membership is accepted the Applicant shall become a Member from the date specified in the Rules, if any, and immediately otherwise.
- 2.10 Members shall pay such Membership Fees on such dates as shall be specified in the Rules.
- 2.11 The Board shall establish the Membership Committee which shall include at least one Director. Subject to that, its membership and conduct shall be as specified in the Rules.

3. TERMINATION AND SUSPENSION OF MEMBERSHIP

- 3.1 The Membership Committee may recommend to the Board, and the Board may by written notice expel or suspend (in its sole discretion) a Member if the Member:
- (a) shall make default in the observance of the Articles or any Rule or of any resolution of the Board; or
 - (b) defaults in the payment of Membership Fees or any other monies due to the Company; or
 - (c) shall in the opinion of the Board have been guilty of any act or practice or conduct which brings the Company into disrepute or where, in the opinion of the Board, its continued membership of the Company is against the interests of the majority of its Members; or
 - (d) ceases to qualify as a Member pursuant to these Articles or the membership criteria then in force under the Rules; or
 - (e) fails to comply with any code of practice submitted to and not disapproved by the OFT and published by Members or notified to Members by the Company; or
 - (f) (being an individual) dies or becomes bankrupt or compounds with his creditors; or
 - (g) (being a partnership) is dissolved or becomes bankrupt; or
 - (h) (being a corporation) enters into liquidation or receivership for any purpose other than a solvent amalgamation or reconstruction or has a receiving order made against it.

The Board may, in place of expulsion or suspension, substitute such lesser penalty as it may see fit including (but not limited to) warning or reprimand.

- 3.2 A Member may at any time withdraw from membership of the Company by giving 183 clear days written notice or such lesser period as may be specified in the Rules.
- 3.3 A Member receiving notice under Article 3.1 may appeal against the decision in writing within 7 clear days, and until any such appeal is decided a suspension shall stand and an expulsion shall constitute a suspension. Appeal shall be to the Board in the first instance but either side may require that the decision be appealed to the next general meeting of the Company, whose decision shall be final.
- 3.4 The Membership Committee may at any time request any Member to provide in a manner satisfactory to the Membership Committee proof that such Member remains eligible for membership.
- 3.5 A Member who is for the time being suspended shall be entitled to attend a general meeting of the Company, but not to vote (if otherwise entitled) nor to speak except to the question of its own suspension or expulsion.
- 3.6 Where a Member is expelled all monies paid in respect of Membership Fees, or otherwise shall be forfeited to the Company. While a Member is suspended it shall continue to be liable to pay Membership Fees.
- 3.7 Any Member ceasing to be a Member shall not have any claim upon or interest in the funds of the Company but this Article shall be without prejudice to rights of the Company to claim any arrears of Membership Fees or other sums due from time to time from that Member to the Company in respect of any period prior to its ceasing to be a Member.

4. GENERAL MEETINGS

- 4.1 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 4.2 An annual general meeting shall be held once every calendar year except that the first annual general meeting need only be held within 15 months of the formation of the Company.
- 4.3 The Directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any Member may call a general meeting.
- 4.4 The annual general meeting of the Company and each extraordinary general meeting called for the passing of a special resolution shall be called by at least 21 clear days notice. Any other general meeting shall be called by at least 14 clear days notice.
- 4.5 The notice shall specify the time and place of the meeting and, in the case of special business, the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such and shall state the name of the proposed auditors.
- 4.6 The notice shall be given to all Members and to the current and proposed auditors.
- 4.7 All business shall be deemed special that is transacted at an extraordinary general meeting, and that 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, and the appointment of, and the fixing of the remuneration of, the auditors.
- 4.8 Any Member entitled to attend and vote at a general meeting shall be entitled to appoint a proxy being the Authorised Representative of a Member or alternatively the chairman of the meeting as his proxy to attend and to vote instead of him and any proxy so appointed shall have the same right as the Member to speak at the meeting. Every notice convening a general meeting shall comply with the provisions of the Act as to giving information to Members in regard to their right to appoint proxies.
- 4.9 A general meeting of the Company may consist of a conference between Members some or all of whom are in different places subject to the following provisions:
- (a) each Member who participates must be able to hear each of the other participating Members addressing the meeting and (if he so wishes) to address all of the participating Members simultaneously, whether directly, by conference telephone and/or by any other form of communications equipment
 - (b) a quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Members required to form a quorum
 - (c) a meeting held in this way is deemed to take place at the location where the largest group of participating Members is assembled or, if no such group is readily identifiable, where the chairman of the meeting is located

5. PROCEEDINGS AT GENERAL MEETINGS

- 5.1 No business shall be transacted at any meeting unless a quorum shall be present at the time when the meeting proceeds to business.
- 5.2 A quorum shall consist of Full Members present in person, in proxy, or if a corporation through the Authorised Representative. The quorum shall be the greater of 3 and the smallest whole number that is not less than the square root of the number of Full Members in existence and registered as Members at the date of the relevant meeting. Members who are suspended shall not count towards a quorum.
- 5.3 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting 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 Board may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor, such adjourned general meeting shall be dissolved.
- 5.4 The Chairman or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting, but if neither the Chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
- 5.5 If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.
- 5.6 The chairman may, with the consent of a 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, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 5.7 A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.

6. VOTES OF MEMBERS

- 6.1 Subject to any contrary provision of these Articles, each Full Member shall have one vote at any general meeting.
- 6.2 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

6.3 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) –

"UK Competitive Telecommunications Association

I/We, _____, of _____,
being a member/members of the above-named company, hereby appoint
_____ of _____, or failing him,
_____ of _____, as my/our proxy to
vote in my/our name(s) and on my/our behalf at the annual/extraordinary
general meeting of the company to be held
on _____ 20__, and at any adjournment thereof.

Signed on _____ 20__."

6.4 Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve) –

"UK Competitive Telecommunications Association

I/We, _____, of _____,
being a member/members of the above-named company, hereby appoint
_____ of _____, or failing him,
_____ of _____, as my/our proxy to
vote in my/our name(s) and on my/our behalf at the annual/extraordinary
general meeting of the company to be held
on _____ 20__, and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

- Resolution No. 1 *for *against
- Resolution No. 2 *for *against
- *Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed on _____ 20__."

6.5 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may-

- (a) be deposited at the Office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or

- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any Director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

- 6.6 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Where, in accordance with Article 4.9, one or more members are not at the same location as the chairman, in any vote taken by a show of hands each such member shall indicate his vote or abstention to the chairman in such a manner as the chairman directs. Subject to the provisions of the Act, a poll may be demanded by the chairman; or by at least two Members having the right to vote at the meeting, and a demand by a person as proxy for a Member shall be the same as a demand by the Member. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman. If the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 6.7 In the case of an equality of votes either on a show of hands or on a poll the chairman of the meeting shall be entitled to a further or casting vote.
- 6.8 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 6.9 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 6.10 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 6.11 A vote given or poll demanded by proxy or by the Authorised Representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

7. THE BOARD OF DIRECTORS

7.1 Subject to the provisions of the Act, the Memorandum, the Articles, the Rules, and to any directions given by ordinary resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company. No alteration of the Memorandum, Articles, or Rules, and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Board.

7.2 The Board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as it determines including authority for the agent to delegate all or any of his powers.

7.3 The Board may delegate to:

- (a) any committee consisting of one or more Directors;
- (b) any committee consisting of three or more Full Members;
- (c) any Executive Director;

such of its powers as the Board considers desirable to be exercised by such persons. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more Members shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying.

7.4 The Directors shall be entitled to such remuneration and other benefits as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day.

7.5 The Directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or otherwise in connection with the discharge of their duties.

8. APPOINTMENT OF DIRECTORS

8.1 The number of Directors shall be determined by the Rules but shall not be less than three or more than ten.

8.2 The quorum for the transaction of the business of the Board shall be determined by the Rules but shall not be less than three.

8.3 The Directors shall be natural persons. Each Director shall be one of the following:

- (a) a person elected by the Members at the annual general meeting according to the Rules (an "Elected Director");
- (b) a person appointed by the Board to fill a vacancy in the number of Representative Directors (a "Co-opted Director");
- (c) an employee of the Company appointed by ordinary resolution of the Company, or a person who has agreed to become an employee should they be so appointed (an "Executive Director");

- (d) a person, appointed by ordinary resolution of the Company, who is not (i) a Member, (ii) an employee of the Company, (iii) an employee of a Member or and who, in the opinion of the Board, is otherwise independent from the Company (an "External Director");

and shall be a person willing to be a Director. The Elected and Co-opted Directors shall together be known as the "Representative Directors".

8.4 The term of office of a Director shall expire if required by any of these Articles but in any case no later than:

- (a) in the case of an Elected Director, the end of the second annual general meeting after the one at which he was elected;
- (b) in the case of a Co-opted Director, the end of the first annual general meeting after the date of his appointment;
- (c) in the case of an Executive Director, when he ceases to be an employee or (if not an employee when appointed) fails to take up employment as agreed;
- (d) in the case of an External Director, the end of the second annual general meeting after the date of his appointment.

If the number of Representative Directors whose term expires at any annual general meeting is less than half the total number of Representative Directors on the date at which the Board issues the call for nominations under Article 8.6, then the term of office of sufficient extra such Directors (chosen by lot) shall expire at the same time so as to bring the number up to one half. At the expiration of his term of office a Director shall, subject to any other requirements of these Articles, be eligible to be re-elected or re-appointed.

8.5 Each Representative Director shall be the Authorised Representative of a Full Member.

8.6 The Board shall call for nominations for candidates for election as Directors not less than 28 clear days before the annual general meeting. Each Full Member wishing and eligible to do so must notify the Board not less than 14 clear days before the annual general meeting that its Authorised Representative is to be a candidate. The Rules may place further restrictions on which Full Members may nominate candidates.

8.7 On the adoption of these Articles the persons registered as Members at that time shall together appoint five natural persons to be the Directors, and these shall be treated as Co-opted Directors for the purposes of these Articles.

8.8 A person may be appointed a Director notwithstanding that he has attained the age of seventy years or more, and no Director shall be liable to vacate office by reason only of his having attained that or any other age.

8.9 Notwithstanding any other requirement of these Articles, a Director's term of office shall end immediately if:

- (a) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- (c) he is, or may be, suffering from mental disorder and either –

- (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
- (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- (d) he resigns his office by notice to the Company; or
- (e) he shall for more than six consecutive months have been absent without permission of the Directors from Board meetings held during that period and the Directors resolve that his office be vacated;

it shall end at the end of the next annual general meeting if:

- (f) his Nominating Member shall cease to be eligible to nominate candidates in accordance with Article 8.6;

and it shall end on a date determined by the Board, but no later than the end of the next annual general meeting if:

- (g) his Nominating Member shall cease to be a Full Member; or
- (h) he ceases to be the Authorised Representative of his Nominating Member.

- 8.10 If there are monies due and payable to the Company by the Nominating Member of a Director, and those monies are at least one month overdue for payment (whether lawfully demanded or not) and remain unpaid, that Director may be removed from office by a unanimous vote of the remainder of the Board.
- 8.11 The Company in general meeting may by ordinary resolution remove any Director from office or appoint any eligible person as a Co-Opted Director.
- 8.12 The Company in general meeting by ordinary resolution may appoint any person to be the president of the Company from time to time, save that the first appointment may be made by the Directors but shall be subject to ratification by ordinary resolution at the next annual general meeting of the Company and shall terminate forthwith if not so ratified. The president shall not by virtue of that designation be deemed a Director or be entitled to any remuneration. Nevertheless he may by invitation of the Directors attend the meetings of the Directors for the purpose of giving advice and, with the sanction of the Company in general meeting, the Directors may remunerate the president for advice and assistance from time to time given by him.

9. MEETINGS AND CONDUCT OF THE BOARD

- 9.1 Subject to the provisions of the Act, and provided that he has disclosed to the directors the nature and extent of any material interest of his, a Director notwithstanding his office -
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
 - (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;
- and

- (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

9.2 For the purposes of Article 9.1 –

- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;
- (b) any Representative Director shall be deemed to have given notice to the Directors that he is interested in any matter directly relating to his Nominating Member; and
- (c) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

9.3 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote.

9.4 The continuing directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.

9.5 The Directors may appoint one of their number to be the Chairman and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every Board Meeting at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be Chairman.

9.6 All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

9.7 A resolution in writing signed by a majority of the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors.

9.8 The Board may by simple majority (excluding the Director in question) require a Director to abstain from voting on any specific issue in which he has an interest, but he shall nevertheless be counted as part of the quorum at the relevant Board meeting. If a question arises at a meeting of Directors or of a committee of Directors

as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the Chairman and his ruling in relation to any Director other than himself shall be final and conclusive. If the question relates to the Chairman, it shall be determined by resolution of the other Directors.

9.9 Members of the Board shall be notified in such manner as shall be determined by the Board from time to time of all Board meetings regardless of where they are at the time.

9.10 A Board meeting may consist of a conference between Directors some or all of whom are in different places subject to the following provisions:

(a) each Director who participates must be able to hear each of the other participating Directors addressing the meeting and (if he so wishes) to address all of the participating Directors simultaneously, whether directly, by conference telephone and/or by any other form of communications equipment

(b) a quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Directors required to form a quorum

(c) a meeting held in this way is deemed to take place at the location where the largest group of participating Directors is assembled or, if no such group is readily identifiable, where the Chairman participates

10. INCOME OF THE COMPANY

The income of the Company shall be applied solely towards the promotion of all or any of the objects of the Company as set forth in the Company's Memorandum as the Board may from time to time think fit.

11. SECRETARY

Subject to the provisions of the Act, 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.

12. MINUTES

The Directors shall cause minutes to be made in books kept for the purpose –

- (a) of all appointments of officers made by the Directors; and
- (b) of all proceedings at meetings of the Company, and of the Directors, and of committees of Directors, (including meetings in the form envisaged by Articles 9.10 or 4.9) including the names of the Directors present at each such meeting.

13. THE SEAL

The seal shall only be used by the authority of the Directors or of a committee of Directors authorised by the Board. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director.

14. ACCOUNTS

14.1 The Board shall cause proper books of account to be kept: -

- (a) Of the sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place.
- (b) Of all sales and purchases of property and goods by the Company.
- (c) Of the assets and liabilities of the Company.

Proper books of account 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 Company's affairs and to explain its transactions.

14.2 The books of account shall be kept at the office or, subject to the Act, at such other place or places as the Board may determine, and shall always be open to the inspection of the Board. The Rules may determine whether and to what extent and at what times and places and on what conditions the books and accounts of the Company or any of them shall be open to the inspection of the Members not being Directors, and the Members shall have only such rights of inspection as are given to them by the Act or the Rules.

14.3 At each annual general meeting the Board shall lay before the Company an income and expenditure account for the period since the preceding account, or in the case of the first account since the incorporation of the Company, made up to date not more than six months before such meeting. A balance sheet as at the date to which income and expenditure account is made up, shall be made out and laid before the Company at the Annual General Meeting, every such balance sheet shall be accompanied by proper reports of the Board and the Auditors. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Company in General Meeting, together with a copy of the Auditor's report, shall, twenty one clear days previously to such meeting, be sent to the Auditor and every member entitled to receive notices of the General Meeting in the manner in which notices are hereinafter directed to be served.

14.4 Auditors shall be appointed and their duties regulated in the manner provided by the Act.

15. NOTICES

15.1 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Directors need not be in writing.

15.2 Any notice, proxy, consent or other communication or any other document to be served by or on behalf of the Company upon any Members or by any Member upon the Company or other Member may be served in any of the following manners, and where the Act or these Articles or the Rules require such a communication to be in writing, it shall mean any such manner:

- (a) in writing and delivered personally; or
- (b) in writing by sending it through the post to the registered address of the Company or the Member, in which case proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given, and it shall be deemed to have been delivered at the expiration of 48 hours (or 96 hours in the case of notices sent to

- or from a location outside the United Kingdom) after the envelope containing it was posted; or
- (c) by electronic mail if transmitted in legible form to the appropriate electronic mail address:
- if to the Company, to the address notified by the Company from time to time and published on the Website;
 - if to a Member, to the address in a register maintained by the Company for that purpose, and where any Member has submitted an electronic mail address to the Company for the purposes of such registration, the Company shall be entitled to continue to use that address for such purposes until notified in writing to the contrary by the Member concerned;
- and in either case shall be deemed to have been delivered immediately upon receipt by the sender of an electronic acknowledgement of delivery.

- 15.3 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

16. WINDING UP

Clause 7 of the Memorandum relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.

17. INDEMNITY

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 of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Sections 144, 145 or 727 of the Act, in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. This Article shall only have effect insofar as its provisions are not avoided by Section 310 of the Act.

18. RULES

- 18.1 The Company may by ordinary resolution in general meeting make alter and repeal such rules and bye laws as it may deem necessary or expedient for the proper conduct and management of the Company and for the purposes of prescribing conditions of membership ("Rules").
- 18.2 No Rule shall be inconsistent with or shall affect or repeal anything contained in the Memorandum or Articles.
- 18.3 Subject to Article 18.2 the Board may from time to time make alter and repeal the Rules as it deems necessary or expedient or convenient for the proper conduct and management of the Company, provided nevertheless that no change to the Rules made by the Board may override any resolution of the Company made pursuant to Article 18.1.

18.4 The Board shall adopt such means as it shall deem sufficient to bring to the notice of the Members all Rules and all alterations and repeals thereto and all such Rules, so long as they are in force and subject always to Article 18.2, shall be binding upon all Members.

19. OTHER REGULATIONS

No regulations set out in any schedule to, or contained in any order, regulations or other subordinate legislation made under any statute concerning companies, including but not limited to the regulations contained in Table A or C in the schedule to the Companies (Tables A to F) Regulations 1985 (as amended), shall apply as the regulations or articles of the Company.

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY GUARANTEE

AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

OF

UK Competitive Telecommunications Association
Company number 4799611

1. The name of the Company is the UK Competitive Telecommunications Association.
2. The registered office of the Company will be situated in England.
3. The objects for which the Company is established are:
 - (A) To represent, promote, encourage, foster and develop the interests of undertakings which own fixed electronic networks and are engaged in the provision of fixed electronic networks and services and such other business activities as may from time to time be considered by the Company to be compatible therewith (except that the ownership or operation of mobile call origination networks shall not be regarded as so compatible) and which do not enjoy Significant Market Power within any relevant call origination telecommunications market within the UK as a whole (except the Kingston upon Hull area) for the purposes of The Electronic Communications (Market Analysis) Regulations 2003 (hereinafter called "the Sector") and to promote research connected therewith.
 - (B) To provide a negotiating body to meet with representatives of Government, suppliers and other interested parties in the Sector so as to facilitate the achievement of the objects of the Company.
 - (C) To promote interest in the Sector through the press, general literature, exhibitions, competitions, public lectures and such other means as may appear to be advantageous to the Sector .
 - (D) To institute, promote, support or oppose legislative or other measures or proceedings affecting the interests of the Sector.
 - (E) To promote, encourage, foster, develop and protect the Sector and ancillary and allied industries in the United Kingdom of Great Britain and Northern Ireland and elsewhere.
 - (F) To afford its members an opportunity for inter-changing opinions and discussing matters affecting the Sector and to co-operate with other associations on matters of common interest.
 - (G) To prepare, edit, print, publish, issue, acquire and circulate trade journals, directories, books, papers, periodicals, gazettes, circulars and other literary undertakings treating of or bearing upon the business of the Sector or any other

business considered by the directors of the Company to be allied thereto and to form libraries, collections of literature, statistics and other data or information relating to the Sector or such business.

- (H) To confer, consult, maintain contact and co-operate with any company, association, society, institution, firm, partnership or other body of persons established or to be established in the United Kingdom of Great Britain and Northern Ireland or elsewhere having objects in whole or in part similar to those of the Company in respect of matters within the objects of the Company.
- (I) To make arrangements for carrying on the work of the Company and for this purpose where necessary to engage and provide in whole or in part for the salaries or maintenance of officers, servants and employees.
- (J) To apply all moneys received from the subscriptions of members of the Company or from any source whatsoever to the expenses of management or to such investments or purposes as the board of directors of the Company may from time to time bona fide determine to be calculated to promote the objects of the Company.
- (K) To purchase, take on lease or in exchange or hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the promotion of its objects and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company.
- (L) To undertake and execute any trusts which may lawfully be undertaken by the Company and which may be conducive to its objects.
- (M) To borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit.
- (N) To invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject, nevertheless, to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law.
- (O) To grant pensions, allowances, gratuities and bonuses
- (P) The doing of all such other useful things as are incidental or conducive to the attainment of the above objects.

PROVIDED THAT the Company shall not support with its funds any objects or endeavour to impose on or procure to be observed by its members or others any regulation, restriction or condition which if an object of the Company would make it a Trade Union.

And it is hereby declared that the objects of the Company as specified in each of the foregoing paragraphs of this clause (except only if and so far as otherwise expressly provided in any paragraph) shall be separate and distinct objects of the Company shall not be in anywise limited by reference to any other paragraph or the order in which the same occur or the name of the Company.

4. The income and property of the Company (from whatever source), shall be applied solely towards the promotion of the objects of the Company as set forth in this

memorandum of association and no portion thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the members of the Company. Provided that nothing herein shall prevent the payment, in good faith, of remuneration to any officers or servants of the Company, or to any member of the Company or other person in return for any services actually rendered to the Company, nor prevent the payment of interest at current commercial rates on money lent or reasonable and proper rent for premises demised or let by any member of the Company.

5. The liability of members is limited.
6. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up during the time that he is a member, or within one year afterwards, for the payment of debts and liabilities of the Company contracted before the time at which he ceases to be a member, and of the costs, charges, and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding one pound.
7. If upon winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Company but shall be given or transferred to some other institution, or institutions, having objects similar to the objects of the Company, to be determined by the directors of the Company, at or before the time of dissolution and if and so far as effect cannot be given to the aforesaid provision then to some charitable object.