



COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

GUERNSEY KART AND MOTOR CLUB LBG

INTERPRETATION

1. In these Articles:-

- 1.1. "Annual General Meeting" means a General Meeting held in accordance with article 15.
- 1.2. "Articles" means these articles of association.
- 1.3. "Bye-laws" means the bye-laws of the unincorporated association known as the "Guernsey Kart and Motor Club" as on the date of registration of the Company and such other bye-laws as are subsequently created by the Company.
- 1.4. "Committee" means the committee of the Company, as more fully defined in article 35 below.
- 1.5. "Committee Resolution" means a resolution of the Committee passed in a Committee meeting by simple majority of the Committee members present and entitled to vote on the resolution.
- 1.6. "Company Resolution" means a resolution of the Members passed in a General Meeting by a simple majority of those Members present and entitled to vote on the resolution.
- 1.7. "Connected with a Member" means an individual who is a partner director or employee of or consultant to a Member.
- 1.8. "Constitution" means the Memorandum and Articles of Association of the Company and any Rules from time to time in force.
- 1.9. "Contestant" means an entrant into a race or other competition organised by the Company.
- 1.10. "Financial Year" means a year running from 1 January to 31 December.

- 1.11. "General Meeting" means a general meeting of the Company.
- 1.12. "Honorary Assistant Competition Secretary" means any person appointed from time to time to assist the Honorary Competition Secretary the performance of his/ her duties.
- 1.13. "Honorary Competition Secretary" means any person appointed from time to time to perform the duties of the competition secretary of the Company.
- 1.14. "Honorary Life Members" means the members elected by the Committee in accordance with Article 14.
- 1.15. "Honorary Secretary" means any person appointed from time to time to perform the duties of the secretary of the Company.
- 1.16. "Honorary Treasurer" means any person appointed from time to time to perform the duties of the treasurer of the Company.
- 1.17. "locality" means the area so described in Clause 3 of the Memorandum of Association.
- 1.18. "Member" means a member for the time being of the Company.
- 1.19. "Objects" means the Company's objects as set out in the Articles of Association of the Company.
- 1.20. "Officers" means the President, Vice-President, Honorary Secretary, Honorary Treasurer, Honorary Competition Secretary and Honorary Assistant Competition Secretary.
- 1.21. "President" means the President of the Committee.
- 1.22. "Rules" means the rules from time to time in force which have been duly made or adopted by the Committee pursuant to these Articles or any of them.
- 1.23. "Seal" means the Common Seal of the Company (if any).
- 1.24. "Special Resolution" means a resolution of the Members of the Company passed in a General or Extraordinary meeting by at least three quarters of the members present and entitled to vote on the resolution.
- 1.25. "Statutes" means every statute from time to time in force concerning companies insofar as the same applies to the Company.
- 1.26. "Subscriber" means an individual who has subscribed to the Memorandum of Association and to these Articles.
- 1.27. "Vice-President" means the vice-president of the Committee.
- 1.28. "Year" where the context so admits means the period from one Annual General Meeting to the next.

1.29. Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other methods of representation or reproducing words in visible form, including documents in electronic format where the Statutes so permit.

1.30. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Statutes.

MEMBERSHIP

2. Membership shall be open to:

2.1. individuals who are resident in the Bailiwick of Guernsey;

2.2. companies, corporations, firms and other organisations (including, without limitation, committees or boards of the States of Guernsey) engaged in or interested in kart and motor racing;

2.3. members of professions who have an interest in kart and motor racing in the locality; or

2.4. any other individuals, companies, corporations, firms or other organisations whom the Committee may in its absolute discretion admit to membership.

3. Any persons who were immediately prior to the date of registration of the Company a member of the unincorporated association known as "Guernsey Kart and Motor Club" shall be entitled to become Members.

4. All applications for membership shall be made in writing in such form (containing an undertaking to be bound by the Constitution if elected) as the Committee may in its absolute discretion from time to time prescribe. Delivery of the application to the Company shall be accompanied by the amount of the relevant membership subscription for the current year (which shall be returned immediately if the applicant is not elected).

5. Any person desirous of becoming a Member shall have his or her name proposed by two fully paid up Members. The applicant then may be asked to attend a Committee meeting to answer relevant queries before his/her application is accepted.

6. The election of Members shall be by resolution of the Committee which may refuse any application without giving reasons.

7. Every Member shall be furnished with a copy of the club rules upon becoming a Member. It is a condition of membership that the Members shall abide by all the club Rules and Bye-laws.

8. A Member may terminate membership by giving notice in writing at least one month before the day when his subscription shall next be due. If no such notice is received the Member shall continue to be liable for the subscription, which shall be a debt due to and legally recoverable by the Company.

9. Unless the Committee shall suspend the operation of this Article from time to time for a period either generally or in any specific case or cases, a Member shall automatically cease to be a Member:-
 - 9.1. if being a company an order shall be made or resolution passed for winding up otherwise than for the purpose of reconstruction.
 - 9.2. if adjudicated bankrupt or a commissioner is appointed for the purpose of his affairs being declared "en etat de desastre".
 - 9.3. if being an individual he is or may be suffering from mental disorder and an order is made by a court having jurisdiction (whether in the locality 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.
 - 9.4. if he fails to pay the prescribed subscription for a period of three months or more beyond the date of the Annual General Meeting in any year.
10. The annual subscription to the Company shall be at such rates as may from time to time be fixed by a Company Resolution passed at the Annual General Meeting of the Members, and shall become due and payable upon joining and on the 31st of December each year thereafter or on such date or dates as may be specified in the said Company Resolution.
11. Any Member who has failed to pay his or her subscription shall not be permitted to race or to avail themselves of the facilities of the Company.
12. The interest and rights of a Member are personal only and not transferable or transmissible on death or liquidation.
13. Members shall be entitled to vote at meetings of the Company in accordance with the subsequent provisions of these Articles.

HONORARY LIFE MEMBERS

14. Honorary Life Members may be elected by Committee provided the membership of such persons shall be of benefit to the Company or will help in promoting the causes of kart and motor racing. Representatives of the local news media shall at all times be accorded the privileges of Honorary Members.

GENERAL MEETINGS OF MEMBERS

15. The Company shall hold a General Meeting every year as its Annual General Meeting at such time and place as may be determined by the Committee, and shall specify the meeting as such in a notice calling it.
16. All General Meetings, other than Annual General Meetings, shall be called Extraordinary General Meetings.
17. The Committee may call General Meetings and, on the requisition made in writing of not less than 25 Members, shall forthwith proceed to convene an Extraordinary General Meeting to be held on a date not later than 28 days after receipt of the

requisition, or in default the meeting may be convened by the requisitionists as provided by the Statutes. Any requisition so made by Members must state the object of the meeting proposed to be called and must be signed by the requisitionists and deposited with the Committee. Should the Committee fail to call and hold the meeting within 28 days of the depositing of the requisition, the requisitionists may themselves convene the meeting.

18. All General Meetings shall be called by at least fourteen clear days' notice. The notice of a meeting shall specify the time and place of the meeting and in the case of special business the general nature of that business, and shall be sent by post to all Members at their registered address.
19. The accidental omission to give notice of a meeting (General Meeting or otherwise) 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.
20. Should a Member require any matter to be included on the agenda for the Annual General Meeting, they should notify the Honorary Secretary by the end of the Financial Year.
21. No business shall be transacted at any General Meeting unless a quorum is present. 25 persons, each being a Member, or a person connected with a Member or a proxy for a Member or a duly authorised representative of a corporation Member shall be a quorum.
22. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Committee may determine, and, if at such adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present in person or through a person connected with a Member or by proxy or by duly authorised representative shall be a quorum.
23. A chairman at a General Meeting shall be elected by simple majority of Officers and Members present.
24. A resolution put to the vote of a General Meeting shall be decided by a show of hands unless a majority of those present who are entitled to vote deem that voting shall be by ballot. When voting is by ballot, two scrutineers shall be appointed to count the votes and to inform the chairman of the result.
25. Unless a ballot is duly demanded, a declaration by the chairman that a resolution has or has not been carried 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.
26. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
27. On a show of hands every Member who (being an individual) is present in person or (being a company, corporation, firm or other organisation) is present by a proxy or a duly authorised representative or a person connected with a Member, not being

himself a Member entitled to vote, shall have one vote and on a ballot every Member shall have one vote.

28. No Member shall vote at any General Meeting, either in person or by proxy or duly authorised representative, or a person connected with a Member, unless all moneys presently payable by him to the Company in respect of subscriptions have been paid.
29. 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.
30. On a ballot, votes may be given either personally or by a person connected with a Member or by proxy or duly authorised representative.
31. An instrument appointing a proxy or a duly authorised representative shall be in writing in any form which is usual or which the Committee may approve. The Committee may from time to time make Rules prescribing forms for appointing a proxy or a duly authorised representative, and providing for the execution and deposit at the registered office of the Company of such forms. Whether or not a person is connected with a Member for the purpose of voting shall be determined by the chairman whose decision shall be final and binding.
32. Members of the Committee shall be entitled to attend and speak at any General Meeting notwithstanding that they are not Members of the Company or persons connected with a Member or proxies or duly authorised representative of a Member.
33. Alteration to the Constitution of the Company may be considered only at a General Meeting and proposals shall be notified by any member at least 21 days prior to the date of the General Meeting, and shall be included on the agenda circulated. Any such amendment shall require sanction by a Special Resolution of the Company.
34. Business other than that contained in the Agenda ("any other business") may be considered at an Annual General Meeting at the discretion of the chairman. No Company or Special Resolution may be passed on any matter raised under "any other business" at an Annual General Meeting.

THE COMMITTEE

35. The Committee shall consist of:-
 - 35.1. the President;
 - 35.2. the Vice-President;
 - 35.3. the Honorary Secretary;
 - 35.4. the Honorary Treasurer;
 - 35.5. the Honorary Competition Secretary;
 - 35.6. the Honorary Assistant Competition Secretary;

- 35.7. not less than five other persons, the actual number to be decided before the election of Officers at the AGM, who must include a kart captain, a car captain and a bike captain.
36. Subject to the provisions of the Statutes, the Constitution and to any directions given by Special Resolution passed by the Members, the business of the Company shall be managed by the Committee members who in addition to the powers and authorities expressly conferred on them by the Constitution, may exercise all powers and do all acts in furtherance of the of the Company's Objects. No alteration of the Constitution or direction of the Members shall invalidate any prior act of the Committee members, 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 Committee members by the Constitution and a meeting of Committee members at which a quorum is present my exercise all powers exercisable by the Committee members.
37. The Committee shall meet whenever summoned by the Honorary Secretary, who may convene a meeting of his or her own accord, or do so by the direction of the President, or on a requisition signed by two thirds of the Committee. The Committee may regulate its own proceedings.
38. The quorum for a meeting of the Committee is three.
39. If within one half-hour from the time appointed for a Committee meeting, a quorum of Committee is not present, the meeting shall be adjourned to the same day in the following week, at the same time an place, unless otherwise directed by the Honorary Secretary; and if at the second meeting a quorum is not present within half an hour of the appointed time, the members of the Committee present shall be considered to form a quorum.
40. The President, or in his absence the Vice-President, shall be the chairman of meetings of the Committee. In their absence, Committee members may appoint a chairman by simple majority.
41. No Committee member shall be entitled to remuneration for his services as a Committee member. The Committee members may be paid all expenses properly incurred in connection with the discharge of their duties.
42. All monies of the Company shall be banked by the Honorary Treasurer in the name of the Company. It shall also be the duty of the Honorary Treasurer to disburse all monies justly due by the Company. The Honorary Treasurer shall balance the accounts yearly and prepare a balance sheet for the inspection of Members.

ELECTION OF THE COMMITTEE

43. Members of the Committee shall be elected by Company Resolution of the Members at the Annual General Meeting of the Company. Members who are not Officers shall serve for a period of one year at the expiration of which they shall be eligible for re-election.
44. Notwithstanding any provision to the contrary, on the date of registration of the Company the persons holding office as members of the Committee of the unincorporated association known as "Guernsey Kart and Motor Club" shall be

deemed to be members of the Committee and to hold the equivalent positions to those held by them immediately prior to such date and shall thereafter continue to hold office until the first Annual General Meeting of the Company. The founder members of the company, being the undersigned subscribers hereby agree to (i) act as directors of the Company and (ii) register with the Greffier a list of the Officers who have consented to act as directors.

ELECTION OF THE OFFICERS

45. The term of office of each officer shall be one year.
46. At each Annual General Meeting such Officers who have held office for one year shall retire and shall be eligible for re-election.
47. A vacancy of any Officer which may arise during such Officer's term of office shall be filled by an appointment by the Committee. Any Officer appointed as a replacement shall hold office only until the next Annual General Meeting of the Company, at which meeting he shall be eligible for re-election for a term of one year.
48. At any General Meeting for the election of Officers, each member shall have one vote and such election shall be passed by Company Resolution. The nominees need not attend the General Meeting where they are elected.

DISQUALIFICATION AND REMOVAL OF COMMITTEE MEMBERS

49. The office of a Committee member shall be vacated if:-
 - 49.1. he ceases to be a Committee member by virtue of any provision of the Statutes or he becomes prohibited by law from being a Committee member; or
 - 49.2. he resigns his office by notice in writing to the Committee; or
 - 49.3. he becomes bankrupt or makes any composition with his creditors generally; or
 - 49.4. he is or may be suffering from mental disorder and an order is made by a court having jurisdiction (whether in the locality 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
 - 49.5. he shall for more than three consecutive months have been absent without permission of the Committee from meetings of the Committee held during that period and the Committee resolves that his office be vacated; or
 - 49.6. he shall be removed from office as a Committee member before the expiration of his period of office by Committee Resolution passed at a meeting of the Committee convened by an Officer on at least twenty-one days' notice provided that:-

- 49.6.1. the Committee member concerned shall be given at least fourteen days' notice of the matters giving rise to the proposed resolution and shall be given a reasonable opportunity to make and have circulated to the Committee written representations and to be heard and represented at the meeting of the Committee called to consider the resolution and at any adjournment thereof,
- 49.6.2. a vacancy created by the removal of a Committee member under this sub-paragraph may be filled as a casual vacancy by the Committee as the case may be but a person who has been removed shall not be reappointed under this sub-paragraph.

RULES

50. The Committee shall have power to adopt, make, alter or revoke all Rules and Bye-laws as they may deem necessary or expedient or convenient for the proper conduct of the Company, provided such adoption, creation, alteration or revocation is not inconsistent with the Constitution.
51. The Honorary Secretary shall keep a book containing the Rules and Bye-laws for the time being in force, signed by him or her and shall verify by his or her signature any alteration made therein and record the date of the Committee or general meeting at which the alteration was made and such book shall be prima facie evidence of the Rules and Bye-laws.
52. Without prejudice to the generality of the foregoing Rules and Bye-laws may be made, altered or revoked in connection with:
- 52.1. Membership;
 - 52.2. Subscriptions;
 - 52.3. Committees;
 - 52.4. Proceedings of the Committee; and
 - 52.5. Practices and procedures related to kart and motor racing events in which Members participate in any part of the Bailiwick
53. Every member and outside Contestant (should they be invited to compete) shall accept the rules and regulations in force for the event for which they enter as being final and binding. In all events, would-be Contestants will not be allowed to compete until they have completed the Company's recognised form of entry.

DECLARATIONS OF INTERES

54. A Committee member who to his knowledge is in any way, whether directly or indirectly, interested in a contract of proposed contract with the Company, or has any other material interest shall declare the nature and extent of his interest to the Committee. A Committee member having made such a disclosure, shall not be entitled to vote in respect of any contract or arrangement in which he is interested, but may be

counted in the quorum present at the meeting at which such contract or arrangement is approved.

55. For the purposes of the above Article:-

55.1. a general notice to the Committee that a Committee member is to be regarded as having an interest of the nature and extent specified in the notice of any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Committee member has an interest in any such transaction of the nature and extent so specified, and

55.2. an interest of which a Committee member has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

MINUTES AND SECRETARIAL DUTIES

56. The Honorary Secretary shall attend in person or by deputy all meetings of the Company and Committee and take minutes of the proceedings for confirmation at the following meeting, including the names of Committee members present at each such meeting.

57. The Honorary Secretary shall cause minutes to be made in books kept for that purpose of all proceedings at General Meetings of the Company, and of the Committee, and other Committees from time to time.

58. All minutes shall be open to inspection by any Member.

59. The Honorary Secretary shall conduct all correspondence on behalf of the Company, file all letters and keep copies of the replies thereto.

THE SEAL

60. The Committee shall provide for the safe custody of the Seal of the Company (if any). If a document is executed by the Company by the affixing of the Seal that affixing shall be witnessed by and signed by a Committee member and the Honorary Secretary of the Company or by two Committee members.

TREASURER AND ACCOUNTS

61. The monies of the Company shall be applied solely toward the benefits of the Company, or otherwise in the promotion of the Objects of the Company.

62. Without prejudice to the obligations of any person under the Statutes, the Honorary Treasurer shall be responsible for keeping accounting records in respect of the Company in accordance with the Statutes.

63. The accounting records and any other book or document shall be open to the inspection of any Committee member. No Member shall (as such) have any right of inspecting any accounting records or other book or document of the Committee except as conferred by statute or authorised by the Committee or by any Company Resolution.

64. The financial year of the Company shall end 31st December.

AUDITORS

65. Auditors shall be appointed at the Annual General Meeting and their duties regulated in accordance with the Statutes. The auditor or auditors whist appointed as such may not also be an Officer or Officers.

NOTICES

66. Any notice to be given pursuant to the Articles shall be in writing.
67. The Company may give any notice to a Member, or the Auditors either personally or by sending it by post in a prepaid envelope addressed to the intended recipient at his registered address or any address supplied to the Company for the giving of notice, including an electronic mail address.
68. A Member present, either in person or by proxy or by a person connected with a Member, at any General Meeting of the Committee shall be deemed to have received notice of the meeting and, where requisite, of the purpose for which it was called.
69. Proof of the transmission by electronic mail or that an envelope containing the notice was properly addressed, prepaid and posted shall be conclusive evidence that notice was given. A notice shall be deemed to be given, if sent by first class post, at the expiration of forty-eight hours after the envelope containing it was posted, and, if sent via electronic mail, on the day of sending it.

INDEMNITIES

70. Subject to the provisions of the Statutes, but without prejudice to any indemnity to which he may otherwise be entitled, every Committee member shall be indemnified out of the assets of the Company against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence default breach of duty or breach of trust of which he may be guilty in retention to the Company.
71. The Company shall have express power to purchase and maintain for any such Committee member insurance against any such liability, and if the power is exercised the fact shall be stated in the Committee members' report to the Annual General Meeting.

WINDING UP


72. The Company shall be wound up voluntarily whenever a special General Meeting is convened at the recommendation of the Committee or on a requisition of the Members. A Special Resolution must be passed at that meeting stating that that the Company is to be wound up.
73. If a Special Resolution is passed under article 73 above, then a further special General Meeting shall be held within one month at which the original resolution must be ratified by a majority vote of those present and entitled to vote.

74. An agenda showing an intention to dissolve the Company must be issued with the notice convening the special General Meetings.
75. Clauses 7 and 8 of the Memorandum of Association shall have effect as if the provisions of those Clauses were repeated in these Articles.

Names, Addresses and Descriptions of Subscribers



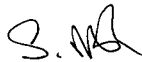
Michael Dean
Sydenia
Grand Mielle Lane
Vale
Guernsey



Roger King
Glenbardie
B.B.Park
Les Landes
Vale
Guernsey

Dated this 16th day of January 2003

WITNESS to the above signatures



MS SUE MARTEL

WESTVIEW
VALE AVENUE
VALE
GUERNSEY