

Company No: 01697726

The Companies Act 2006

Company limited by guarantee

Special resolution

of

The Sofa Project

(passed on 23 September 2010)

At an extraordinary general meeting of the company duly convened and held at 48 – 54 West Street, St Philips, Bristol on 23 September 2010 at [6.30 pm] the following resolution was passed as a special resolution of the company

"That the Articles of Association produced to the meeting and initialled by the chairman of the meeting for the purposes of identification be adopted as the Articles of Association of the Charity in substitution for, and to the exclusion of, the existing Articles of Association "


COLIN EVANS
Chairman



CE.

Articles of Association

of

The Sofa Project

Company number 01697726

(Private company limited by guarantee)

as adopted by special resolution passed on 23 September 2010

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Company number 01697726

The Companies Act 2006

Private company limited by guarantee

Articles of Association

of

The Sofa Project

(as adopted by special resolution passed on 2010)

Part 1

Interpretation, limitation of liability and other miscellaneous provisions

1 Defined terms

1 1 In these articles, unless the context requires otherwise

"Acts" means the Companies Acts and every other statute, order, regulation or other subordinate legislation from time to time in force concerning companies and affecting the company

"articles" means the company's articles of association as altered or varied from time to time (and **"article"** means of a provision of these articles)

"CA2006" means the Companies Act 2006

"chairman" has the meaning set out in article 16 (*Charing of trustees' meetings*)

"chairman of the meeting" has the meaning set out in article 32 (*Charing general meetings*)

"Charities Act" means the Charities Act 1993

"charity" has the meaning set out in Section 1, Charities Act 2006

"charity trustee" has the meaning set out in Section 97(1), Charities Act

"Commission" means the Charity Commission for England and Wales

"Companies Acts" means the Companies Acts (as defined in Section 2, CA2006), in so far as they apply to the company

"document" includes, unless otherwise specified, any summons, notice, order, register, certificate or other legal process and includes any such document sent or supplied in electronic form

"electronic form" has the meaning set out in Section 1168, CA2006

"eligible trustee" means a trustee who would have been entitled to vote on the matter had it been proposed as a resolution at a trustees' meeting (but excluding any trustee whose vote is not to be counted in respect of the resolution in question)

"hard copy form" has the meaning set out in Section 1168, CA2006

"holding company" has the meaning set out in Section 1159, CA2006

"member" has the meaning set out in Section 112, CA2006

"Model Articles" means the model articles for private companies limited by guarantee as set out in Schedule 2 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229)

"objects" means the objects of the company as set out in article 2 (*Company's objects*)

"offices" means the chairman, vice-chairman and treasurer and the term **"officers"** refers to anyone of them

"ordinary resolution" has the meaning set out in Section 282, CA2006

"participate", in relation to a trustees' meeting, has the meaning given in article 14 (*Participation in trustees' meetings*)

"proxy notice" has the meaning given in article 38 (*Content of proxy notices*)

"special resolution" has the meaning set out in Section 283, CA2006

"subsidiary" has the meaning set out in Section 1159, CA2006

"taxable trading" means the carrying on a trade or business in such manner or on such a scale that some or all of the profits are subject to corporation tax

"trustee" means a director of the company and includes any person occupying the position of trustee, by whatever named called

"working day" has the meaning set out in Section 1173, CA2006

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods and **"written"** shall be construed accordingly

1 2 Unless the context otherwise requires (or unless otherwise defined or stated in these articles) words or expressions contained in these articles shall have the same meaning as in the CA2006 as in force from time to time

1 3 The Model Articles shall not apply to the company and these articles shall be the articles of association of the company (to the exclusion of any other regulations set out in any statute, statutory instrument or other subordinate legislation from time to time in force)

1 4 References in these articles to a document or information being sent or supplied by or to a company (including the company) shall be construed in accordance with the provisions of Section 1148(3), CA2006 and any reference to "sent" or "supplied" (or other similar term) shall be construed in accordance with the provisions of Section 1148(2), CA2006

2 **Company's objects**

2 1 The objects of the company are

- (a) The relief of poverty by renovating and supplying furniture, household goods and domestic and electrical equipment to persons who are in conditions of need, hardship or distress
- (b) To promote social inclusion for the public benefit by preventing people becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society including but not limited to the provision of training, education, rehabilitation and employment and volunteering opportunities

For the purpose of this article "socially excluded" means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment, financial hardship, youth or old age, ill health (physical or mental), substance abuse or dependency including alcohol and drugs, discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment, poor education or skills attainment, relationship and family breakdown, poor housing (that is housing that does not meet basic habitable standards), crime (either as a victim of crime or as an offender rehabilitating into society)

- (c) To protect and preserve the environment by recycling and re-using manufactured goods and chattels

2.2 The company has the power to do anything within the law which may promote or may help to promote the objects or any of them, in particular (but without limitation) the company has the following powers

- (a) to borrow or raise money in such manner as the Charity may think fit for carrying out its Objects, provided that no form of taxable trading shall be undertaken,
- (b) to collect items of unwanted furniture, household goods or electrical or domestic equipment donated by individual members of the public and by other organisations,
- (c) to store such furniture at suitable designated premises,
- (d) renovate, repair and refurbish items requiring improvement before use,
- (e) at modest charge to make available and deliver such furniture, household goods, and domestic and electrical equipment to necessitous persons,
- (f) to involve volunteers as part of the company's workforce in the day to day work of the company,
- (g) to promote or organise fundraising activities involving the obtaining of donations from members of the public, commercial or non-profit undertakings, other charities, local authorities and governmental organisations,
- (h) to promote or engage in or contract for services or operations for the collection, repair, servicing, renovation or resale of furniture and domestic or electrical equipment,
- (i) to acquire and dispose of land and any other assets belonging to or accruing to the company (but only in accordance with the restrictions imposed by the Charities Act),
- (j) to appoint any trustees or agents to hold, administer and manage on behalf of the company all or any part of the property and assets of the company on such terms as to remuneration or otherwise as may be determined from time to time,
- (k) to purchase, take on lease, or in exchange, hire or otherwise acquire and hold any real or personal property or equipment and any rights or privileges which may be necessary or convenient in connection with the objects of the company to construct,

erect, alter, improve and maintain any buildings which may from time to time be deemed necessary for such purposes,

- (l) to sell, grant leases or tenancies or franchises or mortgages disposed of or in any way turn to account all or any property or assets of the company as may be expedient for the promotion of its main object as aforesaid and to do so for or without any consideration and subject to such terms and conditions as may be though expedient,
- (m) to borrow, raise and secure the payment of money by mortgage or other instruments, charging all or any of the property and assets of the company (both present and future) and to issue any securities which the company has power to issue by way of security for any liability undertaken by it in furtherance of its main object aforesaid (but only in accordance with the restrictions imposed by the Charities Act),
- (n) to invest the monies of the company not immediately required for its purposes in or upon such investments, securities or property as may be determined from time to time subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law and subject to hereinafter provided,
- (o) in furtherance of the objects of the company to enter into any arrangements with any government, authority or agency, supreme, municipal, local or otherwise and to obtain from any such body any rights, privileges, grants, payments or concessions and to carry out, exercise and comply with all such arrangements, rights, privileges and concessions,
- (p) to procure the company to be recognised or registered in any part of the European Economic Community, the British Commonwealth or in any other foreign country or place,
- (q) to employ officers or any other staff for the purposes aforesaid or any of them at such remuneration or on such other terms and conditions as the Management Committee of the Company may determine and to provide and supply all such provisions and necessities as may be required for the purposes aforesaid or any of them,
- (r) to support, administer or set up other charities,
- (s) to borrow money,
- (t) to set aside funds for special purposes or as reserves against future expenditure,
- (u) to insure the property of the company against any foreseeable risk and take out other insurance policies to protect the company when required,
- (v) to enter into contracts to provide services to or on behalf of other bodies, and
- (w) to establish or acquire subsidiary companies

2 3 The provisions of article 2 1 may only be amended with the prior written consent of the Commission

3 **Company's name**

The name of the company is "The Sofa Project"

4 **Domicile**

The company's registered office is to be situated in England and Wales

5 Liability of members

5 1 The liability of the members is limited

5 2 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 he is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before the time at which he ceases to be a member, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding one pound (£1 00)

6 Non-distribution

6 1 The property and funds of the company must be used only for promoting the objects and do not belong to the members of the company, but

- (a) members who are not trustees may be employed by or enter into contracts with the company and receive reasonable payment for goods or services supplied,
- (b) members (including trustees) may be paid interest at a reasonable rate on money lent to the company,
- (c) members (including trustees) may be paid a reasonable rent or hiring fee for property let or hired to the company, and
- (d) members (including trustees) who are also beneficiaries of the company may receive charitable benefits in that capacity

6 2 The provisions of article 6 1 may only be amended with the prior written consent of the Commission

7 Application of assets on a winding up

If upon the winding up or dissolution of the company there remains, after 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 charitable institution having objects similar to the objects of the company and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed by the company under or by virtue of article 6 hereof, such institution or institutions to be determined by the members of the company at or before the time of dissolution, and if, and so far as effect cannot be given to the aforesaid provisions, then to some other charitable object

Part 2

Trustees and Secretary

Trustees' powers and responsibilities

8 Trustees' general authority

Subject to these articles, the trustees are responsible for the management of the company's business, in furtherance of the company's objects, for which purpose they may exercise all the powers of the company

9 Delegation by trustees

9 1 Subject to these articles, the trustees may delegate any of the powers which are conferred on them under these articles

- (a) to such person or committee,
- (b) by such means (including by power of attorney),
- (c) to such an extent,
- (d) in relation to such matters or territories, and
- (e) on such terms and conditions

as they think fit (including whether any such delegation shall be made either collaterally with or to the exclusion of the powers otherwise conferred on the trustees under these articles)

9 2 If the trustees so specify, any such delegation may authorise further delegation of the trustees' powers by any person to whom they are delegated

9 3 The trustees may revoke any delegation in whole or part, or alter its terms and conditions

9 4 The trustees may delegate the management of investments to any person provided that

- (a) the investment policy is set out in writing by the trustees,
- (b) the performance of the investments is reviewed regularly with the trustees,
- (c) the investment policy and the delegation arrangement are reviewed at least once a year,
- (d) all payments due to the delegate are on a scale or at a level which is agreed in advance and are notified promptly to the trustees on receipt by the delegate, and
- (e) the delegate must not do anything outside the powers of the trustees

10 Committees and steering groups

10 1 Committees to whom the trustees delegate any of their powers may consist of one or more co-opted persons other than trustees on whom voting rights may be conferred as members of the committee provided that

- (a) the number of co-opted members of the committee shall be less than one-half of the total number of members of the committee and so that no resolution of the committee shall be effective unless a majority of the members of the committee voting on the resolution are trustees,
- (b) all proceedings of every committee must be reported promptly to the trustees, and
- (c) every committee must act in accordance with the terms of reference on which any function is delegated to it (but, subject to that, the proceedings of the committee will be governed by such of these articles as regulate the proceedings of the board of trustees so far as they are capable of applying)

10 2 The trustees may establish an advisory board (referred to in these articles as a "**Steering Group**") comprising individuals who, in the opinion of the trustees, have the relevant expertise and experience in dealing with issues affecting the company provided that

- (a) the Steering Group will have none of the rights or powers exercisable by the trustees or any committee other than a power to advise the trustees on any matter referred to it by the trustees,
- (b) the members of the Steering Group will have none of the responsibilities of company directors or charity trustees, and
- (c) the Steering Group must act in accordance with any terms of reference imposed by the trustees (but, subject to that, the proceedings of the Steering Group will be governed by such of these articles as regulate the proceedings of the trustees so far as they are capable of applying)

11 **Trustees to take decisions collectively**

The general rule about decision-making by trustees is that any decision of the trustees must be either a majority decision at a meeting or a decision taken in accordance with article 12 (*Unanimous decisions*)

12 **Unanimous decisions**

12 1 A decision of the trustees is taken in accordance with this article when all eligible trustees indicate to each other by any means (excluding the means of text messaging) that they share a common view on a matter

12 2 Such a decision may take the form of a resolution in writing, where each eligible trustee has signed one or more copies of it or to which each eligible trustee has otherwise indicated agreement in writing

12 3 A decision may not be taken in accordance with this article if the eligible trustees would not have formed a quorum at a trustees' meeting held to discuss the matter in question

13 **Calling a trustees' meeting**

13 1 Any trustee may call a trustees' meeting by giving notice of the meeting to the trustees or by authorising the company secretary (if any) to give such notice

13 2 Notice of any trustees' meeting must indicate

- (a) its proposed date and time,
- (b) where it is to take place, and
- (c) if it is anticipated that trustees participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

13 3 Notice of a trustees' meeting must be given to each trustee and must be given in writing

13 4 Notice of a trustees' meeting need not be given to trustees who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

14 Participation in trustees' meetings

- 14 1 Subject to these articles, trustees participate in a trustees' meeting, or part of a trustees' meeting, when
- (a) the meeting has been called and takes place in accordance with these articles, and
 - (b) they can each communicate orally (including by means of telephone, video conference or other audio or audio-visual link) to the others any information or opinions they have on any particular item of the business of the meeting
- 14 2 In determining whether trustees are participating in a trustees' meeting, it is irrelevant where any trustee is or how they communicate with each other, provided that all persons participating in the meeting can hear each other
- 14 3 If all the trustees participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

15 Quorum for trustees' meetings

- 15 1 At a trustees' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 15 2 Subject to Section 175(6), CA2006, the quorum for the transaction of the business of the trustees' may be fixed from time to time by a decision of the trustees, and unless otherwise so fixed shall (save as provided in article 15 3 or any other provision of these articles) be five
- 15 3 In relation to any meeting (or part of any meeting) held to authorise a conflict of interest pursuant to article 19 (*Authorisation of conflicts*), if at the relevant time, the company has only one trustee other than the conflicted trustee, the quorum for such meeting (or the part thereof dealing with the authorisation pursuant to article 19 (*Authorisation of conflicts*)) shall be one eligible trustee
- 15 4 If the total number of trustees for the time being is less than the minimum number of trustees set out in article 22 1, the trustees must not take any decision other than a decision
- (a) to appoint further trustees, or
 - (b) to call a general meeting so as to enable the members to appoint further trustees

16 Officers and chairing of trustees' meetings

- 16 1 The trustees may appoint a trustee to chair their meetings, and may also appoint a vice-chairman and treasurer. Any officer appointed under this article shall serve as an officer for one calendar year from the date of appointment unless their appointment is terminated in accordance with article 16 3 or they cease to be a trustee for any reason)
- 16 2 The person so appointed to chair the trustees' meetings for the time being is known as the chairman
- 16 3 The trustees may terminate an officer's appointment at any time
- 16 4 If the chairman is unwilling to chair a trustees' meeting or is not participating in a trustees' meeting within ten minutes of the time at which it was to start or, if at any time during the meeting, the chairman ceases to be a participating trustee, the participating trustees must appoint one of themselves to chair it (or chair such part of it in relation to which the chairman ceases to be a participating trustee, as the case may be)

17 Casting vote

If, at a meeting of the trustees, the numbers of votes for and against a proposal are equal, the chairman or other trustee appointed to chair the meeting pursuant to article 16 4 (*Chairing of trustees' meetings*) shall not have a casting vote

18 Conflicts of interest

18 1 A trustee has a duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the company. This duty applies to the exploitation of any property, information or opportunity (and it is immaterial whether the company could take advantage of the property, information or opportunity). A reference to a conflict of interest in these articles includes a conflict of interest and duty and a conflict of duties

18 2 Article 18 1 does not apply to a conflict of interest arising in relation to the following transactions or arrangements with the company and which the trustees resolve are in the best interests of the company

- (a) any transaction or arrangement mentioned in article 6 (*Non-distribution*) or article 24 (*Trustees' interests*),
- (b) any transaction or arrangement with a charity of which a trustee is a charity trustee or with which he or she is otherwise connected and which is in furtherance of the objects of the company and which does not confer a personal benefit on the trustee,
- (c) any transaction or arrangement with a company limited by shares which is wholly owned by the company (or the company and other charities) and in which a trustee does not have an interest otherwise than as an unpaid director and which does not confer a personal benefit on the trustee, and
- (d) any transaction or arrangement with a company limited by guarantee which is wholly owned by the company (or the company and other charities) and in which a trustee does not have an interest otherwise than as an unpaid director and which does not confer a personal benefit on the trustee

18 3 In this article and article 19 (*Authorisation of conflicts*), reference to a trustee will include a body or person who would be a "connected person" within the meaning of Schedule 5 of the Charities Act

19 Authorisation of conflicts

19 1 The trustees may authorise a matter or situation in which a trustee has, or may have, a direct or indirect interest that conflicts, or may conflict, with the interests of the company but only if

- (a) the interest is one that will not confer a personal benefit on the trustee or any person connected with that trustee at the expense of the company to an extent greater than that permitted by article 6 (*Non-distribution*) or article 24 (*Trustees' interests*),
- (b) the trustees act in what they consider is in the best interests of the company, and
- (c) the trustees comply with the procedure set out in article 24 3 (*Trustees' interests*)

20 Records of decisions to be kept

The trustees must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the trustees

21 Trustees' discretion to make further rules

Subject to these articles, the trustees may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to trustees

22 Methods of appointing trustees

22 1 There shall be no less than seven and no more than fifteen trustees of the Company at any one time

22 2 Any person who is willing to act as a trustee, and is permitted by law to do so, may be appointed to be a trustee

(a) by ordinary resolution, or

(b) by a decision of the trustees

22 3 In any case where, as a result of death or bankruptcy, the company has no members and no trustees, the personal representatives or trustee in bankruptcy of the last member to have died or to have had a bankruptcy order made against him, as the case may be, shall have the right, by notice in writing to the company, to appoint any one person to be a trustee provided such person is a natural person in accordance with Section 155, CA2006 and provided such person is willing to be so appointed and is otherwise permitted by law to be a trustee of the company

22 4 For the purposes of article 22 3, if two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member

22 5 Subject to article 22 7, trustees shall be appointed under article 22 1 for an initial period of three years, such term of office to expire on the date of the board meeting closest to the third anniversary of their appointment, and may be appointed for two further terms of three years in accordance with article 22 1

22 6 At the end of a trustee's third term of office, a trustee shall automatically step down as a trustee and shall be ineligible for reappointment as a trustee for a period of 12 months from the end of their third term in office unless the trustees resolve by a majority of 75% of their number that the trustee in question should be reappointed before that date, such reappointment being in the best interests of the company

22 7 The trustees shall make such interim arrangements for the reappointment of the trustees in office at the date of adoption of these articles as they see fit and the provisions of articles 22 5 and 22 6 shall not apply to such trustees until such time as the trustees decide

23 Termination of trustee's appointment

23 1 A person ceases to be a trustee as soon as

(a) that person is disqualified under the Charities Act from acting as a charity trustee or is otherwise prohibited from being a company director by law,

- (b) is convicted of an offence and the trustees resolve that it is undesirable in the interests of the Company that he or she remains a trustee,
 - (c) a bankruptcy order is made against that person,
 - (d) a composition is made with that person's creditors generally in satisfaction of that person's debts,
 - (e) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a trustee and may remain so for more than three months,
 - (f) by reason of that person's mental health, he is admitted to hospital in pursuance of an application for admission for treatment under any mental health legislation for the time being in force in any part of the United Kingdom or a court having jurisdiction (whether in the United Kingdom or elsewhere) makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
 - (g) notification is received by the company from the trustee that the trustee is resigning from office, and such resignation has taken effect in accordance with its terms, or
 - (h) that person has, for more than six consecutive months, been absent without permission of the trustees from meetings of the trustees held during that period and the trustees make a decision that that person's office be vacated
- 23 2 A technical defect in the appointment of a trustee of which the trustees are unaware at the time does not invalidate decisions taken at a meeting of the board
- 24 **Trustees' interests**
- 24 1 A trustee must not receive any payment of money or other material benefit (whether directly or indirectly) from the company except
- (a) as mentioned in article 6 1(b) (*Non-distribution*), article 6 1(c) (*Non-distribution*), article 6 1(d) (*Non-distribution*), article 24 2 (*Trustees' interests*) or article 49 (*Insurance*),
 - (b) reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the company,
 - (c) an indemnity in accordance with article 48 (*Indemnity and Funds*),
 - (d) trustee indemnity insurance purchased in accordance with the Charities Act,
 - (e) payment to any company in which a trustee has no more than a 1 per cent shareholding, and
 - (f) in exceptional cases, other payments or benefits (but only with the written approval of the Commission in advance and where required by the Acts the approval or affirmation of members)
- 24 2 Any trustee (or any firm, company or other entity of which a trustee is a member, director or employee and in which he has a personal interest) may enter into a contract with the company to supply goods or services to the company in return for a payment or other material benefit but only if

- (a) the goods or services are actually required by the company and in the opinion of the trustees it is in the best interests of the company for the goods or services to be provided by the relevant trustee,
 - (b) the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services supplied, is set out in an agreement in writing between the company and the relevant trustee and is set in accordance with the procedure in article 24 3 (*Trustees' interests*), and
 - (c) fewer than one half of the trustees are subject to or affected by such a contract or otherwise remunerated in accordance with article 6 1 in any financial year
- 24 3 Whenever a trustee has a personal interest in a matter to be discussed at a meeting of the trustees or a committee the trustee concerned must
- (a) declare an interest at or before discussion begins on the matter,
 - (b) withdraw from the meeting for that item unless expressly invited to remain in order to provide information,
 - (c) not be counted in the quorum for that part of the meeting, and
 - (d) withdraw during the vote and have no vote on the matter
- 24 4 The provisions of article 24 may not be amended without the prior written consent of the Commission
- 25 **Secretary**

The trustees may appoint any person who is willing to act as the secretary of the company on such terms (including, but not limited to, term of office and remuneration) and subject to such conditions as they may think fit and from time to time remove such person and, if the trustees determine, appoint a replacement secretary of the company, in each case by a decision of the trustees. The secretary may be a trustee but any trustee who is appointed as secretary may not receive remuneration for acting as such

Part 3

Members

Becoming and ceasing to be a member

- 26 **Membership**
- The members of the company shall be the trustees from time to time. On appointment as a trustee, an individual shall automatically become a member of the company
- 27 **Termination of membership**
- 27 1 A member shall cease to be a member on him ceasing to be a trustee
- 27 2 Membership is not transferable
- 28 **Associate members and patrons**
- 28 1 The trustees may admit and remove such persons as they see fit as associate members in accordance with any criteria or rules set out by the trustees from time to time, provided that

associate members shall not be members for the purposes of the Acts and accordingly such membership shall not bestow upon any associate member the right to attend or vote on any matter at any general meeting of the company

- 28 2 The trustees may appoint and remove any person or persons as a patron of the company and on such terms as they shall think fit, save that no funds of the company shall be applied for the benefit of any patron

Part 4

Decision-making by Members

Organisation of General Meetings

29 Notice of general meetings

- 29 1 A general meeting of the company (other than an adjourned meeting) shall be called by notice of at least 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) but a notice may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety percent of the total voting rights at that meeting of all the members

- 29 2 Every notice convening a general meeting shall specify

- (a) the place, the date and the time of the meeting,
- (b) the general nature of the business to be dealt with at the meeting,
- (c) if the meeting is convened to consider a special resolution, the text of the resolution and intention to propose the resolution as a special resolution, and
- (d) with reasonable prominence, that a member is entitled to appoint another person (who does not have to be a member) as his proxy to exercise all or any rights of his to attend, speak and vote at the meeting

- 29 3 The notice shall be given to the members (other than any who under the provisions of these articles or otherwise are not entitled to receive notice from the company), to the trustees and to the auditors and if more than one for the time being, to each of them

- 29 4 Subject to the provisions of these articles, notice of a general meeting of the company may be given

- (a) in hard copy form,
- (b) in electronic form, or
- (c) by means of a website,

or partly by one such means and partly by another and the provisions of article 44 (*Company communications*) shall apply accordingly

- 29 5 The accidental failure to give notice of general meeting or, in cases where it is intended that it be sent out with the notice, an instrument of proxy, or to give notice of a resolution intended to be moved at a general meeting to, or the non-receipt of any of them by, any person or persons entitled to receive the same shall not invalidate the proceedings at that meeting and shall be

disregarded for the purpose of determining whether the notice of the meeting, instrument of proxy or resolution were duly given

30 Attendance and speaking at general meetings

- 30 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting
- 30 2 A person is able to exercise the right to vote at a general meeting when
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting
- 30 3 The trustees may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it
- 30 4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other
- 30 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

31 Quorum for general meetings

- 31 1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum when the meeting proceeds to business (and nothing in these articles shall prevent any other business being transacted at such general meeting if the persons attending it do not constitute a quorum from time to time thereafter throughout the meeting)
- 31 2 Five persons entitled to vote upon the business to be transacted (each being a member (being an individual) present in person or by proxy, or (being a corporation) present by a duly authorised representative or by proxy), shall be a quorum

32 Chairing general meetings

- 32 1 If the trustees have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- 32 2 If the trustees have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start
- (a) the trustees present, or
 - (b) (if no trustees are present), the meeting,

must appoint a trustee or member (which may not include any proxy appointed by a member) to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting

32 3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

33 Attendance and speaking by trustees and non-members

33 1 Trustees may attend and speak at general meetings, whether or not they are members

33 2 The chairman of the meeting may permit other persons who are not members of the company to attend and speak at a general meeting

34 Adjournment

34 1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, the chairman of the meeting must adjourn it

34 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner

34 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting

34 4 When adjourning a general meeting, the chairman of the meeting must

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the trustees, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting

34 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)

(a) to the same persons to whom notice of the company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain

34 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

34 7 If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved

35 Voting: general

35 1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these articles

35 2 Subject to the provisions of the CA2006, on a vote on a resolution on a show of hands at a meeting, each member present in person or by proxy has one vote

36 Errors and disputes

36 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid

36 2 Any such objection must be referred to the chairman of the meeting whose decision is final and conclusive

37 Demanding a poll and procedure on a poll

37 1 A poll on a resolution may be demanded

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

37 2 A poll may be demanded by

- (a) the chairman of the meeting,
- (b) the trustees,
- (c) two or more persons having the right to vote on the resolution, or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution

37 3 A demand for a poll may be withdrawn if

- (a) the poll has not yet been taken, and
- (b) the chairman of the meeting consents to the withdrawal,

and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made

37 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs

38 Content of proxy notices

38 1 Proxies may only validly be appointed by a notice in writing which

- (a) states the name and address of the member appointing the proxy,
- (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,
- (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the trustees may determine, and
- (d) is delivered to the company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate

38 2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

38 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions

38 4 Unless a proxy notice indicates otherwise, it must be treated as

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

39 **Delivery of proxy notices**

39 1 The appointment of a proxy and the power of attorney or other authority (if any) under which it is signed (or a copy of such authority certified notarially or in some other way approved by the trustees) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the trustees may specify) in electronic form

- (a) to the registered office of the company, or
- (b) to such other address (including electronic address) as is specified in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the company in relation to the meeting, or
- (c) as the trustees shall otherwise direct,

to be received before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

39 2 Any instrument of proxy not so sent or supplied or received shall be invalid unless the trustees at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been compliance with the provision of this article and such proxy shall thereupon be valid notwithstanding such default

39 3 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person

39 4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

40 **Revocation of proxy notices**

The validity of

- (a) a vote given or poll demanded in accordance with the terms of an appointment of a proxy, or
- (b) anything done by a proxy acting as duly appointed chairman of a meeting, or
- (c) any decision determining whether a proxy counts in a quorum at a meeting,

shall not be affected notwithstanding the death or mental disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of

the proxy was executed, unless notice in writing of such death, mental disorder or revocation shall have been

- (a) sent or supplied to the company or any other person as the company may require in the notice of the meeting, any instrument of proxy sent out by the company in relation to the meeting or in any invitation to appoint a proxy issued by the company in relation to the meeting, in any manner permitted for the sending or supplying of appointment of proxy pursuant to these articles, and
- (b) received at the registered office of the company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time for the holding of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

41 Votes of proxies

- 41 1 Subject to section 285(2), CA2006, on a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote
- 41 2 The company shall be under no obligation to ensure or otherwise verify that any votes(s) cast by a proxy are done so in accordance with any such instructions given by the member by whom such proxy is appointed. In the event that a vote cast by such proxy is not done so in accordance with the instructions of the member by whom such proxy is appointed, such vote shall not be deemed to be invalid
- 41 3 On a vote on a resolution on a show of hands, where a proxy is appointed by more than one member (provided that, where some only of those members by whom the proxy is appointed instruct the proxy to vote in a particular way, those members all instruct such proxy to vote in the same way on a resolution (either "for" or "against")) such proxy shall be entitled to cast a second vote the other way in relation to any discretionary vote(s) given to him by other members by whom such proxy is appointed

42 Written resolutions of members

A written resolution proposed in accordance with the provisions of Chapter 2 of Part 13 of the CA2006 shall lapse if it is not passed before the period of three months beginning with the circulation date (as such is construed pursuant to Section 290, CA2006)

43 Amendments to resolutions

- 43 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
 - (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- 43 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
 - (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

- 43 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

Part 5

Administrative Arrangements

44 Company communications

- 44 1 Subject to the provisions of the Acts (and save as otherwise provided in these articles), any document or information required or authorised to be sent or supplied by the company to any member or any other person (including a trustee) pursuant to these articles, the Companies Acts or any other rules or regulations to which the company may be subject, may be sent or supplied in hard copy form, in electronic form, by means of a website or in any other way in which documents or information may be sent or supplied by the company pursuant to the Companies Acts
- 44 2 Subject to these articles, any notice or document to be sent or supplied to a trustee in connection with the taking of decisions by trustees may also be sent or supplied by the means by which that trustee has asked in writing to be sent or supplied with such notices or documents for the time being
- 44 3 The provisions of the CA2006 which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts by making it available on a website shall, mutatis mutandis, apply to the sending or supplying of any document or information required or authorised to be sent by these articles or any other rules or regulations to which the company may be subject, by making it available on a website
- 44 4 The company may send or supply any document or information to a member or any other person (including a trustee) pursuant to these articles, the Companies Acts or any other rules or regulations to which the company may be subject, either personally, or by post in a prepaid envelope addressed to the member (or such other person) at his registered address or at his address for service, or by leaving it at that address or any other address for the time being notified to the company by the member (or such other person) for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to the company by the member (or such other person) for the purpose, or by any other means authorised in writing by the member (or such other person) concerned
- 44 5 A member whose registered address is not within the United Kingdom and who gives the company an address within the United Kingdom to which documents or information may be sent or supplied to him, or gives an electronic address to which documents or information may be sent or supplied using electronic means, shall be entitled to have documents or information sent or supplied to him at that address, but otherwise no such member shall be entitled to receive any document or information from the company
- 44 6 If on at least two consecutive occasions, the company has attempted to send any document or information by electronic means to any address specified (or deemed specified) for the purpose and a delivery failure (or other similar) notification has been received by the company, the company thereafter shall send documents or information in hard copy form or electronic form (but not by electronic means) to such member at his registered address or address for service within the United Kingdom (whether by hand, by post or by leaving it or them at such address), in which case the provisions of article 44 7 shall apply
- 44 7 If on three consecutive occasions, documents or information have been sent or supplied to any member at his registered address or address for service of such documents or information in

the United Kingdom but have been returned undelivered, such member shall not thereafter be entitled to receive any documents or information from the company until he shall have communicated with the company and supplied in writing a new registered address or address within the United Kingdom for the service of documents or information or an electronic address to which documents or information may be sent or supplied using electronic means

44 8 Any member present, in person or by proxy, at any meeting of the company shall be deemed to have received due notice of such meeting and, where requisite, of the purpose for which such meeting was called

44 9 Save as provided otherwise in these articles, any document or information addressed to a member (or other person to whom such document or information is required or authorised to be sent pursuant to these articles, the Companies Acts or otherwise) at his registered address or address for service (in the case of a member, in the United Kingdom) or electronic address, as the case may be shall

(a) if hand delivered or left at a registered address or other address for service (in the case of a member, in the United Kingdom), be deemed to have been served or delivered on the day on which it was so delivered or left,

(b) if sent or supplied by post (whether in hard copy form or in electronic form), be deemed to have been received at the expiration of 24 hours after the envelope was posted,

(c) if sent or supplied by electronic means (other than by means of a website), be deemed to have been received (if sent or supplied between the hours of 9 a m and 5 p m on a working day) at the time it was sent, or (if sent or supplied at any other time) at 9 a m on the next following working day, and

(d) if sent or supplied by means of a website, be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website

44 10 In calculating a period of hours for the purpose of article 44 9, account shall be taken of any part of a day that is not a working day

44 11 A trustee may agree with the company that documents sent to that trustee in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than those set out in article 44 9

44 12 Subject to article 44 7, in providing such service or delivery it shall be sufficient to prove that the envelope containing the document or information was properly addressed and put into the post in a prepaid envelope or, in the case of a document or information sent or supplied by electronic means, that it was sent or supplied in accordance with the guidance issued by the Institute of Chartered Secretaries and Administrators entitled "Electronic Communications with Shareholders 2007" (as such guidance is amended or updated from time to time)

44 13 The company shall not be held responsible for any failure in transmission beyond its reasonable control and the provisions of article 44 8 to article 44 11 (inclusive) shall apply regardless of any document or information being returned undelivered and regardless of any delivery failure notification or "out of office" or other similar response and any such "out of office" or other similar response shall not be considered to be a delivery failure

45 Company seals

45 1 Any common seal may only be used by the authority of the trustees or a committee of the trustees

- 45 2 The trustees may decide by what means and in what form any common seal is to be used
- 45 3 Unless otherwise decided by the trustees, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- 45 4 For the purposes of this article, an authorised person is
- (a) any trustee of the company,
 - (b) the company secretary (if any), or
 - (c) any person authorised by the trustees for the purpose of signing documents to which the common seal is applied
- 46 **No right to inspect accounts and other records**
- Except as provided by law or authorised by the trustees or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member
- 47 **Provision for employees on cessation of business**
- The trustees may decide to make provision for the benefit of persons employed or formerly employed by the company (other than a trustee or former trustee or individual who would be treated as a shadow company director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary
- 48 **Indemnity and Funds**
- The company may indemnify a trustee or former trustee of the company against any liability incurred by him in that capacity, to the extent permitted by sections 232 to 234 of CA2006
- 49 **Insurance**
- The trustees may purchase insurance to cover the trustees against the costs of a successful defence to criminal proceedings brought against them as charity trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty, unless the trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty