Incorporated 29th day of October 1992

ARTICLES OF ASSOCIATION

OF

PORTAFERRY REGENERATION LIMITED

(INCORPORATED)

Company No: NI026977

I certify this to be a true copy of the Articles as amended by Special Resolution of the Company passed on **[DATE]** 28 October 2021

CHAIR ***[NAME OF CHAIR]***

Date: 28 October 2021

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

PORTAFERRY REGENERATION LIMITED

Name

(1) The name of the Company is Portaferry Regeneration Limited ('the Company').

Interpretations

(2) The Articles are to be interpreted without reference to the model articles under the Companies Act, which do not apply to the Company.

In these Articles:

'address'	means a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the Company;
'the articles'	means the Company's articles of association;
'the Companies Act'	means the Companies Act 2006 insofar as they apply to the Company;
'the Charities Act'	means the Charities Act (NI) 2008 and any statutory modification or re-enactment for the time being in force thereof;
'the Charity Commission'	means the Charity Commission for Northern Ireland;
'clear days'	in relation to the period of a notice means a 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;
'the directors'	means the board of directors of the Company, and includes any person

	occupying the position of director regardless of whether they are referred to as the 'the board', 'the charity trustees', 'the management committee' or any other name;
'document'	includes, unless otherwise specified, any document sent or supplied in electronic form;
'electronic form'	has the meaning given in section 1168 of the Companies Act 2006;
'the memorandum'	means the Company's memorandum of association;
'officers'	includes the directors and the secretary (if any);
'the seal'	means the common seal of the Company if it has one;
'secretary'	means any person appointed to perform the duties of the secretary of the Company;
'the United Kingdom'	means Great Britain and Northern Ireland; and

Words importing one gender shall include all genders, and the singular includes the plural and vice versa.

Unless the context otherwise requires words or expressions contained in these articles shall bear the same meaning as in the Companies Act but excluding any statutory modification not in force when this constitution becomes binding on the Company.

Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

Liability of members

(3) The liability of each member is limited to £1, being the amount that every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he or she or it is a member, or within one year after he or she or it ceases to be a member, for payment of the debts and liabilities of the Company contracted before he or she or it ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

OBJECTS

(4) The Company's Objects ("Objects") are specifically restricted to the following:

(a) The promotion for the benefit of the public of rural and urban regeneration in Portaferry and the surrounding area, an area of social and economic deprivation ("the area of benefit") by all or any of the following means:

(i) the relief of unemployment;

(ii) the creation of training and employment opportunities through the provision of workspace, buildings and land for use on favourable terms;

(iii) the preservation, including the restoration, of buildings or sites of historic or architectural importance;

(iv) the protection or conservation of the environment.

(b) The advancement of environmental protection or improvement through the promotion of sustainable development by the preservation, conservation and the protection of the environment and the prudent use of natural resources.

(c) The advancement of heritage and culture through the provision of education, seminars, exhibitions, recreational and leisure time interests and by any other means as the Directors shall consider appropriate.

POWERS

(5) The Company has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, the Company has power:

(a) **To promote the development of artisan craft and design by increasing public awareness and appreciation of artisan arts, crafts and food by any means as the Directors shall consider appropriate;**

(b) To promote or carry out research into the heritage of the Portaferry and surrounding area;

(c) To host an artisan market in furtherance of the Objects;

(d) To restore and/or alter buildings in furtherance of the Objects;

(e) To provide or support the provision of seminars and exhibitions on the heritage of Portaferry and the surrounding area;

(f) To make charity donations either in cash or assets for the furtherance of the objects of the Company;

(g) to accept gifts and to raise funds. In doing so, the Company must not undertake any form of taxable permanent trading activity and must comply with any relevant statutory regulations;

(h) to enter into contracts to provide services to or on behalf of other bodies;

(i) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;

(j) to sell, lease or otherwise dispose of all or any part of the property belonging to the Company. In exercising this power, the Company must comply as appropriate with any provisions of the Charities Act for the time being in force;

(k) to borrow money and to charge the whole or any part of the property belonging to the Company as security for a grant or the discharge of an obligation. The Company must comply as appropriate with any provisions of the Charities Act for the time being in force, if it wishes to mortgage land;

(l) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;

(m) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;

(n) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity;

(o) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;

(p) to employ and remunerate such staff, who shall NOT be directors of the Company, as are necessary for carrying out the work of the Company. The Company may remunerate a director only to the extent it is permitted to do so in Article (10);

(q) invest the moneys of the Company not immediately required for its Objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed or required by law and these articles and in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act (NI) 2001;

(r) to provide indemnity insurance for the directors in accordance with, and subject to any conditions in, section 93 of the Charities Act;

(s) insure and arrange insurance cover for and to indemnify its servants and volunteers from and against all such risks incurred in the course of the performance of their duties as may be thought fit;

(t) to establish or acquire subsidiary companies;

(u) to pay out of the funds of the Company the costs of forming and registering the Company, both as a company and as a charity.

APPLICATION OF INCOME AND PROPERTY

(6) The income and property of the Company shall be applied solely towards the promotion of the Objects.

(7) (a) A director is entitled to be reimbursed from the property of the Company or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Company;

(b) A director may benefit from trustee indemnity insurance cover purchased at the Company's expense in accordance with, and subject to any conditions in, section 93 of the Charities Act;

(c) A director may receive an indemnity from the Company in the circumstances specified in Article (97).

(8) Subject to articles (9)-(10) none of the income or property of the Company may be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to any member of the Company. This does not prevent a member receiving:

(a) a benefit from the Company in the capacity of a beneficiary of the Company;

(b) reasonable and proper remuneration for any goods or services supplied to the Company.

Benefits and payments to directors and connected persons

(9) No director or connected person may:

(a) buy any goods or services from the Company on terms preferential to those applicable to members of the public;

(b) sell goods, services, or any interest in land to the Company;

(c) be employed by, or receive any remuneration from, the Company;

(d) receive any other financial benefit from the Company;

unless:

(i) the payment is permitted by article (10); or

(ii) the directors obtain the prior written approval of the Charity Commission and fully comply with any procedures it prescribes.

In this article, a 'financial benefit' means a benefit, direct or indirect, which is either money or has a monetary value.

Scope and powers permitting directors'/connected persons' benefits

(10) (a) A director or connected person may receive a benefit from the Company as a beneficiary provided that it is available generally to the beneficiaries of the Company;

(b) A director or connected person may enter into a contract for the supply of goods or services, or of goods that are supplied in connection with the provision of services, to the Company where that is permitted in accordance with, and subject to the conditions in, sections 88, 89 and 90 of the Charities Act (NI) 2008. Each of the following conditions must be satisfied:

(i) the amount or maximum amount of payment for the goods or services is set out in an agreement in writing between the Company or its directors and the director or connected person supplying the goods or services ("the supplier") under which the supplier is to supply the goods or services in question to or on behalf of the Company;

(ii) the amount or maximum amount of the payment for the goods or services does not exceed what is reasonable in the circumstances for the supply of the goods or services in question;

(iii) the other directors are satisfied that it is in the best interests of the Company to contract with the supplier rather than with someone who is not a director or connected person. In reaching that decision the directors must balance the advantage of contracting with a director or connected person against the disadvantages of doing so;

(iv) the supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods or services to the Company;

(v) the supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of directors is present at the meeting;

(vi) the reason for their decision is recorded by the directors in the minute book;

(vii) a majority of the directors then in office are not in receipt of remuneration or payments authorised by article (9).

(c) A director or connected person may receive interest on money lent to the Company at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).

(d) A director or connected person may receive rent for premises let by the director or connected person to the Company if the amount of the rent and the other terms of the lease are reasonable and proper and provided that the director concerned shall withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.

(e) The directors may arrange for the purchase, out of the funds of the Company, of insurance designed to indemnify the directors in accordance with the terms of, and subject to the conditions, in section 93 of the Charities Act.

(11) In articles (7)–(10) "Company" shall include any other Company in which the Company holds more than 50% of the shares; or controls more than 50% of the voting rights attached to the shares; or has the right to appoint one or more directors to the board of the other Company.

Connected person

(12) In articles (9), (10), (85) and article (87) "connected person" means:

(a) a child, parent, grandchild, grandparent, brother or sister of the director;

(b) the spouse or civil partner of the director or of any person falling within paragraph (a) above;

(c) a person carrying on business in partnership with the director or with any person falling within paragraph (a) or (b) above;

(d) an institution which is controlled:

   (i) by the director or any connected person falling within paragraph (a), (b), or (c) above; or

   (ii) by two or more persons falling within sub-paragraph (i), when taken together;

(e) a body corporate in which:

   (i) the director or any connected person falling within paragraphs (a) to (c) has a substantial interest; or

   (ii) two or more persons falling within sub-paragraph (i) who, when taken together, have a substantial interest.

Members

(13) The subscribers to the memorandum are the first members of the Company.

(14) Membership is open to other individuals who are not employees or organisations who:

   (a) apply to the Company in the form required by the directors; and

   (b) are approved by the directors.

(15) Every application for admission shall be considered by the directors at their first meeting after it was made, or as soon thereafter as is practicable. There shall be no unlawful discrimination between persons by reference to age, politics, religion, ethnic identity, nationality, gender, sexual orientation, physical or learning disability.

   (a) The directors may only refuse an application for membership if, acting reasonably and properly, they consider it to be in the best interests of the Company to refuse the application.

   (b) The directors must inform the applicant in writing of the reasons for the refusal within twenty-one days of the decision.

   (c) The directors must consider any written representations the applicant may make about the decision. The directors' decision following any written representations must be notified to the applicant in writing but shall be final.

(16) Membership is not transferable.

(17) The directors must keep a register of names and addresses of the members.

Classes of membership

(18) The directors may establish classes of membership with different rights and obligations and shall record the rights and obligations in the register of members.

(19) The directors may not directly or indirectly alter the rights or obligations attached to a class of membership other than in accordance with article (20).

(20) The rights attached to a class of membership may only be varied if:

(a) three-quarters of the members of that class consent in writing to the variation; or

(b) a special resolution is passed at a separate general meeting of the members of that class agreeing to the variation.

(21) The provisions in the articles about general meetings shall apply to any meeting relating to the variation of the rights of any class of members.

Termination of membership

(22) Membership is terminated if:

(a) the member dies or, if it is an organisation, ceases to exist;

(b) the member resigns by written notice to the Company unless, after the resignation, there would be less than two members;

(c) any sum due from the member to the Company is not paid in full within six months of it falling due;

(d) the member is removed from membership by a resolution of the directors that it is in the best interests of the Company that his or her or its membership is terminated. A resolution to remove a member from membership may only be passed if:

(i) the member has been given at least twenty-one days' notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is to be proposed;

(ii) the member or, at the option of the member, the member's representative (who need not be a member of the Company) has been allowed to make representations to the meeting.

GENERAL MEETINGS

Annual general meetings

(23) The Company must hold an annual general meeting once in each calendar year and not more than fifteen months may elapse between successive annual general meetings. **Annual general meetings and special general meetings may be held either electronically or in a fixed location or a hybrid of both.**

(24) The business of an annual general meeting shall include:

(a) the consideration of the report and accounts presented by the directors;

(b) the appointment of directors to fill the vacancies arising from the retirement of those directors who wish to retire or who are retiring by rotation;

(c) the appointment of reporting accountants, independent examiner or auditors for the Company.

Special general meetings

(25) All general meetings other than annual general meeting shall be called special general meetings. A special general meeting may be called by the directors at any time and must be called within twenty-one days of a written request from one or more directors (being members) or at least 10% of the Membership or where no general meeting has been held within the last year, 5% of the membership.

Notice of general meetings

(26) The minimum periods of notice required to hold a general meeting of the Company are:

(a) twenty-one clear days for an annual general meeting;

(b) fourteen clear days for all other general meetings.

(27) A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting, being a majority who together hold not less than 90% of the total voting rights.

(28) The notice must:

(a) specify the date, time and place of the meeting and the general nature of the business to be transacted. **For the avoidance of doubt, 'place' may include an electronic platform link.** If the meeting is to be an annual general meeting, the notice must say so;

(b) the notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act and article (51);

(c) the notice must be given to all the members and to the directors and the independent examiner or auditors.

(29) The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the Company.

PROCEEDINGS AT GENERAL MEETINGS

Quorum

(30) No business shall be transacted at any general meeting unless a quorum is present. A quorum is:

(a) five members, present in person **or by suitable electronic means** or by proxy and entitled to vote upon the business to be conducted.

(i) The authorised representative of a member organisation shall be counted in the quorum.

(31) If a quorum is not present within half an hour from the time appointed for the meeting or during a meeting a quorum ceases to be present, the meeting shall be adjourned to such time and place as the directors shall determine.

(32) The directors must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.

(33) If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person, **or acting through an authorised representative, or by suitable electronic means** or by proxy at that time shall constitute the quorum for that meeting.

Chairperson

(34) General meetings shall be chaired by the person who has been appointed to chair meetings of the directors or if there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting, a director nominated by the directors shall chair the meeting. If there is only one director present and willing to act, he or she shall chair the meeting.

(35) If at any meeting no director is willing to act as chairperson or if no director is present within fifteen minutes after the time appointed for holding it, the members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting.

Adjournment

(36) The members present in person, **or by suitable electronic means** or by proxy, at a meeting may resolve by ordinary resolution that the meeting shall be adjourned. The person who is chairing the meeting must decide the date, time and place at which the meeting is to be reconvened unless those details are specified in the resolution.

(37) No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place.

(38) If a meeting is adjourned by a resolution of the members for more than seven days, at least seven clear days' notice shall be given of the reconvened meeting stating the date, time and place of the meeting.

Resolutions

(39) Decisions at general meetings shall be made by passing resolutions.

(a) Decisions involving an alteration of the articles and other decisions so required by statute shall be made by special resolution. A special resolution is one passed by a majority of not less than 75% present (in person, **or acting through an authorised representative, or by suitable electronic means** or by proxy) and voting at a general meeting.

(b) All other decisions shall be made by ordinary resolution requiring a simple majority of members present (in person, **or acting through an authorised representative, or by suitable electronic means** or by proxy) and voting.

(40) Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll (a formal count of votes) is demanded:

(a) by the person chairing the meeting; or

(b) by at least two members present in person, **or acting through an authorised representative, or by suitable electronic means** or by proxy, and having the right to vote at the meeting; or

(c) by a member or members present in person, **or acting through an authorised representative, or by suitable electronic means** or by proxy, representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.

(41) A declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded. The result of the vote must be recorded in the minutes of the meeting but the number or proportion of votes cast need not be recorded.

(42) A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the person who is chairing the meeting 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.

(43) A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

(44) A poll demanded on the election of a person to chair a meeting, or on a question of adjournment, must be taken immediately. A poll demanded on any other question shall be taken at such time as the person who is chairing the meeting directs, and the meeting may continue to deal with any other business that may be conducted at the meeting.

(a) If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken provided that the poll shall be taken within thirty days after it has been demanded.

Votes of members

(45) Subject to article (18), every member, whether an individual or an organisation, shall have one vote and is entitled to appoint a proxy to attend, speak and vote at a general meeting on their behalf. The chairperson of any general meeting shall be entitled to a second or casting vote.

(46) Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.

(47) Any organisation that is a member of the Company may nominate any person to act as its representative at any meeting of the Company provided that:

(a) The organisation must give written notice to the Company of the name of its representative. The representative shall not be entitled to represent the organisation at any meeting unless the notice has been received by the Company. The representative may continue to represent the organisation until written notice to the contrary is received by the Company.

(b) Any notice given to the Company will be conclusive evidence that the representative is entitled to represent the organisation or that his or her authority has been revoked. The Company shall not be required to consider whether the representative has been properly appointed by the organisation.

Written resolutions

(48) A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:

(a) a copy of the proposed resolution has been sent to every eligible member;

(b) a simple majority (or in the case of a special resolution by a majority of not less than 75%) of members has signified its agreement to the resolution; and

(c) it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date.

(49) A resolution in writing may comprise several copies to which one or more members have signified their agreement.

(50) In the case of a member that is an organisation, its authorised representative may signify its agreement.

Content of proxy notices

(51) Proxies may only validly be appointed by a notice in writing (a "proxy notice") 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 directors may determine; and

(d) is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

(52) The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes. Proxy notices must be delivered to the Company's registered office at least 48 hours prior to the start time of the meeting.

(53) 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 and 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.

Delivery of proxy notices

(54) 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.

(55) An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

(a) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

(56) 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 appointer's behalf.

BOARD OF DIRECTORS

Directors

(57) The directors are elected by the members or co-opted by the directors.

(58) A director must be an individual aged 16 years or older. No one may be appointed a director if he or she would be disqualified from acting under the provisions of article (73).

(59) The number of directors shall not be less than five but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum all of whom must support the Objects of the Company.

(60) A director may not act as a director of the Company unless he/she is a member of the Company. Nominations made under article (68) are subject to, or conditional upon, the successful appointees becoming members of the Company before serving as a director.

(a) This does not apply to a co-opted director appointed under the provisions of article (71)

(61) All directors must sign a written declaration of willingness to act as a director of the Company.

(62) A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.

Powers of directors

(63) The directors shall manage the business of the Company and may exercise all the powers of the Company unless they are subject to any restrictions imposed by the Companies Act, the articles or any special resolution.

(64) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.

(65) Any meeting of the directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the directors.

Retirement of directors

(66) At each annual general meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one director he or she must retire.

(67) (a) The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

(b) If a director is required to retire at an annual general meeting by a provision of the articles the retirement shall take effect upon the conclusion of the meeting.

Appointment of directors

(68) The Company shall actively promote a board of directors which includes a range of skill, experience and knowledge in keeping with the pursuance of its Objects and to this end it is entitled to advertise and interview eligible candidates to be potential directors of the board.

(a) Successful candidates arising from interviews under this article shall be eligible for nomination to the board under the provisions of article (70) or appointment under article (71).

(69) A retiring director shall subject to Article (73) below, be eligible for re-nomination and election.

(70) The directors shall be elected at the annual general meeting by the members present (in person, **or acting through an authorised representative, or by suitable electronic means** or by proxy) In order to be eligible for election to the board of directors:

(a) nominations from members eligible to vote must be in writing and must be in the hands of the Secretary at least fourteen clear days in advance of the relevant annual general meeting. Written nominations shall be signed by the person who is being proposed.

(i) If the number of nominations exceeds the number of vacancies, election shall be by secret ballot;

(ii) If the number of nominations is less than the number of vacancies, further oral nominations may with the approval of the annual general meeting be invited from members at the said annual general meeting.

(b) the board of directors is entitled to nominate those candidates selected in accordance with article (68).

Co-option of directors

(71) The directors shall have the power at any time to appoint any person, who need not be a member of the Company, by co-option:

(a) to be a director to fill a casual vacancy. Any director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for election;

(b) as additional directors with particular skills and/or knowledge up to but not exceeding a number equivalent to one third of the elected directors for the time being. Directors so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-appointment as co-opted directors.

Office bearers

(72) The directors so appointed shall at the first meeting of the board of directors after the annual general meeting elect by secret ballot from among their number a chairperson and other office bearers who shall hold office for three years. The office of Chairperson and any other office bearers shall not be held by any person for a period exceeding nine consecutive years.

Disqualification and removal of directors

(73) A director shall cease to hold office if he or she:

(a) ceases to be a director by virtue of any provision in the Companies Act or is prohibited by law from being a director;

(b) is disqualified from acting as a trustee by virtue of section 86 of the Charities Act (or any statutory re-enactment or modification of that provision);

(c) ceases to be a member of the Company (but such a person may be reinstated by resolution passed by all the other directors on resuming membership of the Company before the next annual general meeting);

(d) in the written opinion, given to the Company, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a director and may remain so for more than three months;

(e) resigns as a director by notice to the Company (but only if at least two directors will remain in office when the notice of resignation is to take effect); or

(f) is absent without the permission of the directors three successive meetings of the Directors and the directors resolve that his or her office be vacated;

(g) is removed by the members at a general meeting under the Companies Act.

Remuneration of directors

(74) The directors must not be paid any remuneration unless it is authorised by articles (9) and (10).

Proceedings of directors

(75) (a) The directors may regulate their proceedings as they think fit, subject to the provisions of the articles and provided that they hold at least four meetings each year.

(b) Any director may call a meeting of the directors. The secretary (if any) must call a meeting of the directors if requested to do so by a director.

(c) Questions arising at a meeting shall be decided by a majority of votes.

(d) In the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote provided that he or she is not prohibited from participating in the decision making process in accordance with article (83).

(e) A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants.

Quorum for directors' meetings

(76) No decision may be made by a meeting of the directors unless a quorum is present at the time the decision is purported to be made. 'Present' includes being present by suitable electronic means agreed by the directors in which a participant or participants may communicate with all the other participants.

(a) The quorum shall be five or the number nearest to one-third of the total number of directors, whichever is the greater, or such larger number as may be decided from time to time by the directors.

(b) A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote.

(77) 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.

Chairperson

(78) The chairperson elected in accordance with article (72) shall chair all meetings of the directors but if no such chairperson is elected, or if at any meeting the chairperson is not present within ten minutes after the time appointed for holding the same, the directors present may choose one of their number to chair that meeting.

Directors' written resolutions

(79) A resolution in writing or in electronic form agreed by a simple majority of all the directors entitled to receive notice of a meeting of directors or of a committee of directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of directors duly convened and held provided that:

(a) a copy of the resolution is sent or submitted to all the directors eligible to vote; and

(b) a simple majority of directors has signified its agreement to the resolution in an authenticated document or documents which are received at the registered office within the period of 28 days beginning with the circulation date.

(80) The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more directors has signified their agreement.

Delegation

(81) The directors may delegate any of their powers or functions to a committee of two or more directors but the terms of any delegation must be recorded in the minutes. The directors have the power to revoke or alter any such delegation.

(82) The directors may impose conditions when delegating, including the conditions that:

(a) the relevant powers are to be exercised exclusively by the committee to whom they delegate;

(b) no expenditure may be incurred on behalf of the Company except in accordance with a budget previously agreed with the directors;

(c) all acts and proceedings of any committees must be fully and promptly reported to the directors.

Declaration of directors' interests

(83) A director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared. A director must absent himself or herself from any discussions of the directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the Company and any personal interest (including but not limited to any personal financial interest). Such a director must not be counted in any vote or quorum on this matter.

Conflicts of interests

(84) If a conflict of interests arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:

(a) the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;

(b) the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting; and

(c) the unconflicted directors consider it is in the interests of the Company to authorise the conflict of interests in the circumstances applying.

(85) In article (84), a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or to a connected person.

Validity of directors' decisions

(86) Subject to article (87), all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director:

(a) who was disqualified from holding office;

(b) who had previously retired or who had been obliged by the articles to vacate office;

(c) who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise;

if without:

(d) the vote of that director; and

(e) that director being counted in the quorum;

the decision has been made by a majority of the directors at a quorate meeting.

(87) Article (86) does not permit a director or connected person to keep any benefit that may be conferred upon him or her by a resolution of the directors or of a committee of directors if, but for article (86), the resolution would have been void, or if the director has not complied with article (83).

Seal

(88) If the Company has a seal it must only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless so determined it shall be signed by a director and by the secretary or by a second director.

RECORDS AND ACCOUNTS

Minutes

(89) The directors must keep records of all:

(a) appointments of officers made by the directors;

(b) proceedings at all meetings of the Company;

(c) meetings of the directors and all meetings of committees of directors including:

(i) the names of the directors present at each meeting;

(ii) the decisions made at the meetings; and

(iii) where appropriate the reasons for the decisions.

(d) all professional advice obtained.

Accounts and annual reporting

(90) The directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.

(91) The directors must comply with the requirements of the Charities Act once commenced with regard to the:

(a) preparation of the statements of account and the transmission of a copy of it to the Charity Commission;

(b) preparation of an Annual Report and the transmission of a copy of it to the Charity Commission;

(c) preparation of an Annual Return and its transmission to the Charity Commission;

(d) the auditing or independent examination of the statement of account of the Company.

(e) notifying the Charity Commission promptly of any changes to the Company's entry on the register of charities.

(92) The directors shall present the annual accounts to the members in the annual general meeting. A copy of the accounts together with a copy of the auditor's or independent examiner's report, shall be sent or delivered to the auditors or independent examiners and every member before they are sent to Companies House.

Means of communication to be used

(93) Subject to the articles:

(a) anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Companies Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company;

(b) any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(94) Any notice to be given to or by any person pursuant to the articles must be in writing or must be given in electronic form. The Company may give any notice to a member either:

(a) personally; or

(b) by sending it by post in a prepaid envelope addressed to the member at his or her address; or

(c) by leaving it at the address of the member; or

(d) by giving it in electronic form to the member's address.

(e) by placing the notice on a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state that it concerns a notice of a Company meeting and must specify the place date and time of the meeting.

A member who does not register an address with the Company or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the Company.

(95) A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and of the purposes for which it was called.

(96) Subject to the articles:

(a) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.

(b) Proof that an electronic form of notice was given shall be conclusive where the Company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.

(c) In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:

(i) 48 hours after the envelope containing it was posted; or

(ii) In the case of an electronic form of communication, 48 hours after it was sent.

Indemnity

(97) The Company shall indemnify every director against any liability incurred in successfully defending legal proceedings in that capacity, or in connection with any application in which relief is granted by the Court from liability for negligence, default, or breach of duty or breach of trust in relation to the Company.

In this article a "relevant director" means any director or former director of the Company.

Rules

(98) The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the Company. The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the Company. The bye laws may regulate the following matters but are not restricted to them:

(a) the admission of members of the Company (including the admission of organisations to membership) and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members;

(b) the conduct of members of the Company in relation to one another, and to the Company's employees and volunteers;

(c) the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;

(d) the procedure at general meetings and meetings of the directors in so far as such procedure is not regulated by the Companies Acts or by the articles;

(e) generally, all such matters as are commonly the subject matter of Company rules.

(99) The rules or bye laws shall be binding on all members of the Company. The Company in general meeting has the power to alter, add to or repeal the rules or bye laws provided that no rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

Disputes

(100) If a dispute arises between members of the Company about the validity or propriety of anything done by the members of the Company under these articles, and the dispute cannot be resolved by agreement, the

parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

Dissolution

(101) The members of the Company may at any time before, and in expectation of, its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Company be applied or transferred in any of the following ways:

(a) directly for the Objects; or

(b) by transfer to any charity or charities for purposes similar to the Objects; or

(c) to any charity or charities for use for particular purposes that fall within the Objects.

(102) Subject to any such resolution of the members of the Company, the directors of the Company may at any time before and in expectation of its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the Company be applied or transferred:

(a) directly for the Objects; or

(b) by transfer to any charity or charities for purposes similar to the Objects; or

(c) to any charity or charities for use for particular purposes that fall within the Objects.

(103) In no circumstances shall the net assets of the Company be paid to or distributed among the members of the Company (except to a member that is itself a charity) and if no resolution in accordance with article (101) is passed by the members or the directors the net assets of the Company shall be applied for charitable purposes as directed by the Court or the Charity Commission.