

CHARITABLE COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF SCOTTS PROJECT TRUST

Name and Office

- 1 The company's name is Scotts Project Trust and its registered office is situated in England and Wales.

Interpretation

- 2 In the 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 charity;

"the articles" means the charity's articles of association;

"the charity" means the company intended to be regulated by the articles;

"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 Commission" means the Charity Commission for England and Wales;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the charity;

"the directors" means the directors of the charity. The directors are charity trustees as defined by section 177 of the Charities Act 2011;

"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 charity's memorandum of association;

"officers" includes the directors and the secretary (if any);

"the seal" means the common seal of the charity if it has one;

"secretary" means any person appointed to perform the duties of the secretary of the charity;

"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 the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the charity.

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.

In article 7, sub-clause (2) of article 9 and sub-clause (2) of article 47 “connected person” means:

- (1) a child, parent, grandchild, grandparent, brother or sister of the director;
- (2) the spouse or civil partner of the director or of any person falling within sub-clause (1) above;
- (3) a person carrying on business in partnership with the director or with any person falling within sub-clause (1) or (2) above;
- (4) an institution which is controlled –
 - (a) by the director or any connected person falling within sub-clause (1), (2), or (3) above;
 - or
 - (b) by two or more persons falling within sub-clause 4(a), when taken together;
- (5) a body corporate in which –
 - (a) the director or any connected person falling within sub- clauses (1) to (3) has a substantial interest; or
 - (b) two or more persons falling within sub-clause (5)(a) who, when taken together, have a substantial interest.

Sections 350 – 352 of the Charities Act 2011 apply for the purposes of interpreting the terms specified above in relation to the definition of “connected person”.

Liability of members

- 3 The liability of the members is limited to a sum not exceeding £1, being the amount that each member undertakes to contribute to the assets of the charity in the event of its being wound up while he or she is a member or within one year after he or she ceases to be a member, for:
 - (1) payment of the charity’s debts and liabilities incurred before he or she ceases to be a member;
 - (2) payment of the costs, charges and expenses of winding up; and
 - (3) adjustment of the rights of the contributories among themselves.

Objects

- 4 The charity’s objects (“Objects”) are the advancement of people with a learning disability specifically restricted to the following:

- (1) (a) To establish and operate a home or homes to provide either temporary or permanent residence or residences in England for persons with a learning disability;
- (b) To establish and operate shared or individual, permanent or temporary, independent living accommodation in England for persons with a learning disability;
- (c) To establish and operate a domiciliary care service in England for persons with a learning disability in their own homes or in accommodation provided by others;
- (d) To establish and operate a respite care service and support in England for persons with a learning disability who are generally cared for by their family or other carers;
- (e) To establish and operate day services in England for persons with a learning disability including without limitation services promoting and supporting their wellbeing, goals and aspirations, recreation or other leisure time occupation, life and work skills, education, independence, social interactions and general personal development;

and to make provision for the maintenance, care and support of such persons and their medical and nursing needs (whether with or without associated or ancillary services to their families, dependents and carers) and for their travel to and from the charity's premises or elsewhere for social, recreational or leisure purposes.

- (2) To provide training, advice, support, co-operation and other assistance in England in any way connected with or calculated to benefit persons with a learning disability;
- (3) To increase public awareness and understanding in England of the abilities of people with a learning disability, their problems and needs and those of their families, dependents and carers;
- (4) To encourage mutual help and co-operation between families, dependents and carers of people with a learning disability in England and also between them and other agencies and individuals who work for and with them.
- (5) To do all other acts and things ancillary or conducive to the attainment of any or all of the foregoing objects or otherwise calculated to benefit persons with a learning disability in England.

Powers

- 5 The charity has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, the charity has power:
 - (a) To purchase, lease or otherwise acquire buildings or land or any estate or interest therein, and to build new buildings or to repair, renovate, restore, rebuild, convert, alter and extend any building; or to refurbish and to equip properties.
 - (b) To sell, lease, license, hire out, rent, or otherwise dispose of or turn to account all or any part of the buildings, land or other property or assets or equipment belonging to the charity. In exercising this power the charity must comply as appropriate with sections 117 and 122 of the Charities Act 2011.
 - (c) To co-operate with other charitable or voluntary organisations having similar Objects and to establish, promote or assist such charitable or voluntary organisations.

- (d) To purchase, acquire or undertake all or any of the property, liabilities and engagements of such charitable organisations and institutions with which the charity may co-operate or federate.
- (e) To co-operate with any local, public or statutory authority or other body concerned to achieve the Objects of the charity.
- (f) To raise funds and to invite and receive contributions from any person or persons whatsoever by way of subscription, donation and otherwise provided that in doing so the charity shall not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations;
- (g) To take and accept any gifts of property of any description whether subject to any special conditions or not, for the purposes of the charity.
- (h) Subject to such consents as may be required by law (including compliance as appropriate with sections 124-126 of the Charities Act 2011 if it wishes to mortgage land) from time to time and subject as hereinafter provided, to borrow or raise money and to execute and issue security as the charity shall think fit including mortgages, charges or securities over the whole or any part of its property and assets, present or future.
- (i) To draw, accept, endorse, issue or execute promissory notes, bills of exchange, bills of lading, warrants and other negotiable, transferable or mercantile instruments, for the purpose of or in connection with the Objects of the charity.
- (j) To deposit, invest and deal with the moneys of the charity not immediately required in such manner as the charity may from time to time determine; employ a professional fund raiser or fund manager; arrange for the investments or other property of the charity to be held in the name of a nominee subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law (including the Trustee Act 2000).
- (k) To employ and remunerate staff; to employ and remunerate agents, contractors and advisers; and to pay or provide pensions and similar benefits to the staff of the charity and their dependents.
- (l) To acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity.
- (m) To form any subsidiary or joint venture companies.
- (n) To pay the costs of forming and registering any company as aforesaid.
- (o) To subscribe for either absolutely or conditionally or otherwise acquire and hold shares, stocks, debentures, debenture stock or other securities or obligations of any other company.
- (p) To set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves.
- (q) To provide indemnity insurance for the directors and former directors and officers and former officers of the charity (or any of them) in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011 and the Companies Acts.
- (r) To provide an indemnity to relevant directors subject to and in accordance with sections 232-234 of the Companies Act 2006.

- (s) To subscribe to, become a member of, co-operate with any other charitable organisation, company, institution, society or body not formed or established for purposes of profit (whether incorporated or not and whether in Great Britain or Northern Ireland or elsewhere) whose objects are wholly or in part similar to those of the charity and which by its constitution prohibits the distribution of its income and property amongst its members to an extent at least as great as is imposed on the charity under or by virtue of article 6 hereof and to purchase or otherwise acquire and undertake all or such part of the property, assets, liabilities and engagements as may lawfully be acquired or undertaken by the charity of any such charitable organisation, institution, society or body.
- (t) To establish and support or aid the establishment and support of any charitable trusts, associations or institutions and to subscribe or guarantee money for charitable purposes in any way connected with or calculated to further any of the Objects of the charity.
- (u) To institute, conduct, defect, compound or abandon any legal or arbitration proceedings by or against the charity or its officers or staff or otherwise concerning the affairs of the charity and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the charity;
- (v) To do all such other lawful acts and things as shall further the attainment of the Objects of the charity or any of them.

Application of income and property

- 6 (1) The income and property of the charity shall be applied solely towards the promotion of the Objects.
- (2) (a) A director is entitled to be reimbursed from the property of the charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the charity.
- (b) A director may benefit from trustee indemnity insurance cover purchased at the charity's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011 and the Companies Acts.
- (c) A director may received an indemnity from the charity in the circumstances specified in article 57.
- (d) A director may not receive any other benefit or payment unless it is authorised by article 7.
- (3) Subject to article 7, none of the income or property of the charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the charity. This does not prevent a member who is not also a director receiving:
- (a) a benefit from the charity in the capacity of a beneficiary of the charity;
 - (b) reasonable and proper remuneration for any goods or services supplied to the charity.

Benefits and payments to charity directors and connected persons

- 7 (1) No director or connected person may:
- (a) buy any goods or services from the charity on terms preferential to those applicable to members of the public;
 - (b) sell goods, services, or any interest in land to the charity;
 - (c) be employed by, or receive any remuneration from, the charity;
 - (d) receive any other financial benefit from the charity;

unless the payment is permitted by article 6(2) or sub-clause (2) of this article, or authorised by the court or the prior written consent of the Commission has been obtained.

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’ or connected persons’ benefits

- (2) (a) A director or connected person may receive a benefit from the charity in the capacity of a beneficiary of the charity provided that a majority of the directors do not benefit in this way.
- (b) A director or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the charity where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011.
- (c) Subject to sub-clause (3) of this article a director or connected person may provide the charity with goods that are not supplied in connection with services provided to the charity by the director or connected person.
- (d) A director or connected person may receive interest on money lent to the charity at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).
- (e) A director or connected person may receive rent for premises let by the director or connected person to the charity. The amount of the rent and the other terms of the lease must be reasonable and proper. The director concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (f) A director or connected person may take part in the normal trading and fundraising activities of the charity on the same terms as members of the public.
- (g) A director may be employed by and receive remuneration and other benefits under his or her contract of employment with the charity if he or she has been appointed (whether before or after the date of the adoption of the articles) as the chief executive officer of the charity pursuant to the provisions of article 30.

Payment for supply of goods only – controls

- (3) The charity and its directors may only rely upon the authority provided by sub-clause (2)(c) of this article if each of the following conditions is satisfied:

- (a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the charity or its directors (as the case may be) and the director or connected person supplying the goods ('the supplier') under which the supplier is to supply the goods in question to or on behalf of the charity.
- (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.
- (c) The other directors are satisfied that it is in the best interests of the charity 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.
- (d) 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 to the charity.
- (e) 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.
- (f) The reason for their decision is recorded by the directors in the minute book.
- (g) A majority of the directors then in office are not in receipt of remuneration or payments authorised by article 7.

(4) In sub-clauses (2) and (3) of this article:

- (a) "charity" includes any company in which the charity:
 - (i) holds more than 50% of the shares; or
 - (ii) controls more than 50% of the voting rights attached to the shares; or

or

- (iii) has the right to appoint one or more directors to the board of the company.
- (b) "connected person" includes any person within the definition in article 2 "Interpretation".

Declaration of directors' interests

8 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 charity or in any transaction or arrangement entered into by the charity which has not previously been declared. A director must absent himself or herself from any discussions of the charity directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the charity and any personal interest (including but not limited to any personal financial interest).

Conflicts of interests and conflicts of loyalties

9 (1) 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 charity to authorise the conflict of interests in the circumstances applying.

In this article 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 (to which article 7 applies).

Members

- 10 (1) The subscribers to the memorandum are the first members of the charity.
- (2) Membership is open to other individuals who are proposed for election by an existing director and who desire to be admitted to membership;
 - (3) Membership is not transferable.
 - (4) The directors must keep a register of names and addresses of the members.

Classes of membership

- 11 (1) The directors may establish classes of membership with different rights and obligations and shall record the rights and obligations in the register of members.
- (2) The directors may not directly or indirectly alter the rights or obligations attached to a class of membership.
 - (3) 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.
 - (4) 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

- 12 Membership is terminated if:
- (1) the member dies;
 - (2) the member, being a director, ceases to hold office as a director;
 - (3) the member resigns by written notice to the charity unless, after the resignation, there would be less than two members;

- (4) any sum due from the member to the charity is not paid in full within six months of it falling due;
- (5) the member is removed from membership by a resolution of the directors that it is in the best interests of the charity that his or her membership is terminated. A resolution to remove a member from membership may only be passed if:
 - (a) 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;
 - (b) the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations to the meeting.

General meetings

- 13 An annual general meeting must be held in each year and not more than fifteen months may elapse between successive annual general meetings. The business of an annual general meeting shall be to receive and consider the annual report(s) and accounts of the charity, to elect directors in place of those retiring and also any additional directors, to elect auditors and to determine their remuneration and to consider any other business as the directors shall think fit.
- 14 The directors may call a general meeting at any time.

Notice of general meetings

- 15 (1) The minimum period of notice required to hold a general meeting of the charity is fourteen clear days.
 - (2) An annual general meeting may be called by shorter notice if it is so agreed by all the members entitled to attend and vote at that meeting. 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 percent of the total voting rights.
 - (3) The notice must specify the date, time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article 22.
 - (4) The notice must be given to all the members and to the directors and auditors.
 - (5) The above provisions of this article are without prejudice to article 36.
- 16 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 charity.

Proceedings at general meetings

- 17 (1) No business shall be transacted at any general meeting unless a quorum is present.
- (2) Subject to article 18(3) a quorum is three members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting.

- 18 (1) If:
- (a) a quorum is not present within fifteen minutes from the time appointed for the meeting; or
 - (b) during a meeting a quorum ceases to be present;
- the meeting, if convened on the requisition of members shall be dissolved, but otherwise shall be adjourned to such time and place as the directors shall determine.
- (2) 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.
- (3) 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 by proxy at that time shall constitute the quorum for that meeting.
- 19 (1) General meetings shall be chaired by the person who has been appointed to chair meetings of the directors.
- (2) 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 present shall chair the meeting.
- (3) If there is only one director present and willing to act, he or she shall chair the meeting.
- (4) If no director is present and willing to chair the meeting 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.
- 20 (1) The members present in person or by proxy at a meeting may resolve by ordinary resolution that the meeting shall be adjourned.
- (2) 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.
- (3) 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.
- (4) 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.
- 21 (1) 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 is demanded:
- (a) by the person chairing the meeting; or
 - (b) by at least three members present in person or by proxy and having the right to vote at the meeting.
- (2) (a) The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- (b) The result of the vote must be recorded in the minutes of the charity but the number or proportion of votes cast need not be recorded.

- (3) (a) A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting.
- (b) If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.
- (4) (a) A poll must be taken at such time and place and in such manner 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.
- (b) The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- (5) (a) A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.
- (b) A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs.
- (c) The poll must be taken within thirty days after it has been demanded.
- (d) 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.
- (e) If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

Proxy notices

- 22 (1) 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 charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (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.
- (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.

- (5) 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 of it, even though a valid proxy notice has been delivered to the charity by or on behalf of that person.
- (6) An appointment under a proxy notice may be revoked by delivering to the charity at the relevant address specified pursuant to article 22 (1) (d) a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (7) A notice revoking a proxy appointment only takes effect if it is so delivered at least one hour before the start of the meeting or adjourned meeting to which it relates.
- (8) 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.

Written resolutions

- 23 (1) Subject to article 23 (5), a written resolution of the charity (which in this article 23 includes a resolution in hard copy and/or in electronic form) passed in accordance with these articles shall have effect as if passed by the charity (which in this article 23 includes a resolution in hard copy and/or in electronic form) in general meeting.
- (2) A written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible members.
- (3) A written resolution is passed as a special resolution if it is passed by members representing not less than 75% of the total voting rights of eligible members. A written resolution is not a special resolution unless it states that it was proposed as special resolution.
- (4) In relation to a resolution proposed as a written resolution of the charity the eligible members are the members who would have been entitled to vote on the resolution on the circulation date of the resolution.
- (5) A members' resolution under the Companies Acts removing a director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
- (6) A copy of the written resolution must be sent in hard copy or by electronic means to every member together with a statement informing the member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written resolutions shall be sent to the charity's auditors in accordance with the Companies Acts.
- (7) A member signifies their agreement to a proposed written resolution when the charity receives from him or her an authenticated document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
- (8) If the document is sent to the charity in hard copy form, it is authenticated if it bears the member's signature. If the document is sent to the charity by electronic means, it is authenticated if it bears the member's signature or if the identity of the member is confirmed in a manner specified by the charity or if it is accompanied by a statement of the identity of the member and the charity has no reason to doubt the truth of that statement or if it is from an email address specified by the member to the charity for the purposes of receiving documents or information by electronic means.

- (9) A written resolution is passed when the required majority of eligible members have signified their agreement to it.
- (10) A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date.

Votes of members

- (1) subject to article 11, on a show of hands every member who is present in person and, subject to paragraph (2) of this article, every proxy present who has been duly appointed shall have one vote.
 - (2) on a show of hands, a proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution, and the proxy has been instructed:
 - (a) by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or
 - (b) by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his or her discretion as to how to vote.
 - (3) On a poll every member who is present in person or by proxy shall have one vote.
- 24 A proxy shall not be entitled to vote on a show of hands or on a poll where the member appointing the proxy would not have been entitled to vote on the resolution had he or she been present in person.
- 25 In the case of an equality of votes, whether on a show of hands or on a poll, the person who is chairing the meeting shall not be entitled to a casting vote in addition to any other vote he or she may have.
- 26 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.

Directors

- 27 (1) A director must be a natural person aged 16 years or older.
- (2) No one may be appointed a director if he or she would be disqualified from acting under the provisions of article 39.
- 28 The minimum number of directors shall be 4 but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- 29 A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.

The chief executive officer of the charity

- 30 (1) The directors may from time to time appoint a chief executive officer of the charity for such period and on such terms as they think fit and may pay or award him or her such reasonable remuneration and other benefits (including making such reasonable provision for and granting such pension after his or her retirement) as the directors shall also think fit. The chief executive officer may be but need not be a director of the charity.

- (2) The directors shall also have power to provide for the powers, rights and duties of the chief executive officer. The chief executive officer (subject to the rest of this article 30) shall be entitled to receive notice of and to attend and speak at meetings of the members and at meetings of the directors but he or she shall have no right to vote at meetings of the members or at meetings of the directors unless he or she is a member or, as the case may be, a director. The chief executive officer shall not be entitled to attend any meetings while the terms of his or her appointment, termination or remuneration are discussed.

Powers of directors

- 31 (1) The directors shall manage the business of the charity and may exercise all the powers of the charity unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.
- (2) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.
- (3) Any meeting of 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

- 32 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.
- 33 (1) 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.
- (2) 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

- 34 The charity may by ordinary resolution:
 - (1) appoint a person who is willing to act to be a director; and
 - (2) determine the rotation in which any additional directors are to retire.
- 35 No person other than a director retiring by rotation may be appointed a director at any general meeting unless:
 - (1) he or she is recommended for re-election by the directors; or
 - (2) not less than fourteen nor more than thirty-five clear days before the date of the meeting, the charity is given a notice that:
 - (a) is signed by a member entitled to vote at the meeting;
 - (b) states the member's intention to propose the appointment of a person as a director;
 - (c) contains the details that, if the person were to be appointed, the charity would have to file at Companies House; and

(d) is signed by the person who is to be proposed to show his or her willingness to be appointed.

36 All members who are entitled to receive notice of a general meeting must be given not less than seven nor more than twenty-eight clear days' notice of any resolution to be put to the meeting to appoint a director other than a director who is to retire by rotation.

37 (1) The directors may appoint a person who is willing to act to be a director.

(2) A director appointed by a resolution of the other directors must retire at the next annual general meeting and must not be taken into account in determining the directors who are to retire by rotation.

38 The appointment of a director, whether by the charity in general meeting or by the other directors, must not cause the number of directors to exceed any number fixed as the maximum number of directors.

Disqualification and removal of directors

39 A director shall cease to hold office if he or she:

(1) ceases to be a director by virtue of any provision in the Companies Acts (including removal by the members in general meeting) or is prohibited by law from being a director;

(2) is disqualified from acting as a trustee by virtue of sections 178 and 179 of the Charities Act 2011 (or any statutory re-enactment or modification of those provisions);

(3) ceases to be a member of the charity;

(4) is requested in writing by a majority of his or her fellow directors to resign in the best interests of the charity;

(5) 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;

(6) resigns as a director by giving not less than one month's written notice to that effect (but only if at least four directors will remain in office when the notice of resignation is to take effect); or

(7) is absent without the permission of the directors from all their meetings held within a period of six consecutive months and the directors resolve that his or her office be vacated.

Remuneration of directors

40 The directors must not be paid any remuneration unless it is authorised by article 7.

Proceedings of directors

41 (1) The directors may regulate their proceedings as they think fit, subject to the provisions of the articles.

(2) Any director may call a meeting of the directors.

- (3) The secretary (if any) must call a meeting of the directors if requested to do so by a director.
 - (4) Questions arising at a meeting shall be decided by a majority of votes.
 - (5) Each director shall have one vote only except in the case of an equality of votes, when the person who is chairing the meeting shall have a second or casting vote.
 - (6) A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants.
- 42 (1) 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.
- (2) The quorum shall be three directors, or such larger number as may be decided from time to time by the directors.
- (3) 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.
- 43 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.
- 44 (1) The directors shall appoint a director to chair their meetings and may at any time revoke such appointment.
- (2) If no-one has been appointed to chair meetings of the directors or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair that meeting.
- (3) The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by the articles or delegated to him or her by the directors.
- 45 (1) A resolution in writing or in electronic form agreed by all of the directors entitled to received notice of a meeting of the 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 duly convened and held.
- (2) A 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.
- (3) The provisions of article 23, sub-sections (7) – (10) apply with the necessary changes to resolutions in writing under this article.

Delegation

- 46 (1) The directors may delegate any of their powers or discretions to a chief executive officer appointed pursuant to article 30 or to a committee (which need not include or consist of directors) but the terms of any delegation must be recorded in the minute book .
- (2) The directors may impose conditions when delegating, including the conditions that:

- (a) the relevant powers or discretions are to be exercised exclusively by the chief executive officer or committee to whom they delegate;
 - (b) any such delegation may authorise further delegation of the directors' powers or discretions by any person(s) to whom they are delegated.
- (3) Any such delegation may be either collaterally with or to the exclusion of the directors' own powers. The directors may revoke or alter a delegation.
- (4) All acts and proceedings of any committees must be fully and promptly reported to the directors.

Validity of directors' decisions

- 47 (1) Subject to article 47(2), all acts done by a meeting of directors, or of a duly authorised committee, shall be valid notwithstanding the participation in any vote of a duly authorised director:
- (a) who was disqualified from holding office;
 - (b) who had previously retired or who had been obliged by the constitution 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 or of a duly authorised committee at a quorate meeting.

- (2) Article 47(1) does not permit a director or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the directors or of a duly authorised committee if, but for article 47(1), the resolution would have been void, or if the director has not complied with article 8.

Seal

- 48 If the charity has a seal it must only be used by the authority of the directors or of any chief executive officer appointed pursuant to article 30 or of a committee authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by any chief executive officer and by a director or by two directors.

Minutes

49 The directors must keep minutes of all:

- (1) appointments of a chief executive officer or of other officers made by the directors;
- (2) proceedings at meetings of the charity;
- (3) meetings of the directors and committees of directors including:

- (a) the names of the directors and others present at the meeting;
- (b) the decisions made at the meeting; and
- (c) where appropriate the reasons for the decisions.

Accounts

- 50 (1) 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.
- (2) The directors must keep accounting records as required by the Companies Acts.

Annual Report and Return and Register of Charities

- 51 (1) The directors must comply with the requirements of the Charities Act 2011 with regard to the:
- (a) transmission of a copy of the statements of account to the Commission;
 - (b) preparation of an Annual Report and the transmission of a copy of it to the Commission;
 - (c) preparation of an Annual Return and its transmission to the Commission.
- (2) The directors must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

Means of communication to be used

- 52 (1) Subject to the articles, anything sent or supplied by or to the charity under the articles may be sent or supplied in any way in which the Companies Act 2006 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 charity.
- (2) Subject to the articles, 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.
- 53 Any notice to be given to or by any person pursuant to the articles:
- (1) must be in writing; or
 - (2) must be given in electronic form.
- 54 (1) The charity 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.
- (2) A member who does not register an address with the charity or who registers only a postal address that is not within the United Kingdom or whose registered address or addresses are no longer valid shall not be entitled to receive any notice from the charity.
- 55 A member present in person at any meeting of the charity shall be deemed to have received notice of the meeting and of the purposes for which it was called.
- 56 (1) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- (2) 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.
- (3) In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:
- (a) 48 hours after the envelope containing it was posted; or
 - (b) In the case of an electronic form of communication, 48 hours after it was sent.

Indemnity

- 57 (1) The charity shall indemnify a relevant director against any liability incurred in that capacity, to the extent permitted by section 232 to 234 of the Companies Act 2006.
- (2) In this article a 'relevant director' means any director or former director of the charity.

Rules

- 58 (1) 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 charity.
- (2) The bye laws may regulate the following matters but are not restricted to them:
- (a) the admission of members of the charity (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 charity in relation to one another, and to the charity's employees and volunteers;
 - (c) the setting aside of the whole or any part or parts of the charity'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 or

committees 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.
- (3) The charity in general meeting has the power to alter, add to or repeal the rules or bye laws.
- (4) The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity.
- (5) The rules or bye laws shall be binding on all members of the charity. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

Secretary

59 A secretary may be appointed by the directors for such term at such remuneration (unless he or she is a director, in which event the prior consent of the Commission shall be required to the paying of remuneration) and upon such conditions as they may think fit, and may be removed by them. If there is no secretary:

- (1) anything authorised or required to be given or sent to, or served on, the charity by being sent to its secretary may be given or sent to, or served on, the charity itself, and if addressed to the secretary shall be treated as addressed to the charity; and
- (2) anything else required or authorised to be done by or to the secretary of the charity may be done by or to a director or a person authorised generally or specifically in that behalf by the directors.

President

60 The directors may appoint any person to be President of the charity on such terms as they see fit.

Amendments

- 61 (1) No amendments may be made to articles 1 (Name), 4 (Objects), 7 (Benefits and payments to charity directors and connected persons), 63 (Dissolution) or to this article 61 without the prior consent in writing of the Commission.
- (2) No amendment may be made to the articles which would have the effect of making the charity cease to be a charity at law.

Disputes

62 If a dispute arises between members of the charity about the validity or propriety of anything done by the members of the charity 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

- 63 (1) The members of the charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity 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.
- (2) Subject to any such resolution of the members of the charity, the directors of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the charity 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.
- (3) In no circumstances shall the net assets of the charity be paid to or distributed among the members of the charity and if no resolution in accordance with article 63(1) or, as the case may be, article 63(2) is passed by the members or, as the case may be, the directors, the net assets of the charity shall be applied for charitable purposes as directed by the Court or the Commission.