

No. 2205136

THE COMPANIES ACT 2006

**COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL**

ARTICLES OF ASSOCIATION

Of

THE EXTRACARE CHARITABLE TRUST

(Incorporated 11th December 1987)

(Adopted by special resolution on 8th December 2025)

THE COMPANIES ACT 2006

**COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL**

ARTICLES OF ASSOCIATION

Of

THE EXTRACARE CHARITABLE TRUST

PART A. INTRODUCTION

1 OBJECTS, POWERS AND INTERPRETATION

Objects

1.1 The objects of the Company shall be to carry on:

- (a) The business of providing (directly or indirectly) and managing the provision of:
 - (i) housing, social housing and other accommodation (including, without limitation, nursing homes, sheltered homes, hostels and care homes), and
 - (ii) assistance to help house people, and
 - (iii) associated facilities and amenities or services,for people who are poor, or for people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness.
- (b) The provision of care, welfare, medical, nursing, community and other services, and associated facilities and amenities, for people who are poor, or for people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness.
- (c) The relief of sickness and the preservation and promotion of health of people who are poor, or of people who are in need by reason of their age, physical disability, mental disability, learning disability, mental illness or chronic sickness.
- (d) The relief of financial hardship amongst elderly people.
- (e) Any other charitable object not prohibited for a company registered with the Regulator as a non-profit private registered provider.

Powers

1.2 In furtherance of the objects but not otherwise the Company has power to do anything that a natural or corporate person can lawfully do. In particular, and without limiting the generality of the foregoing, the Company has the following power:-

- (a) to erect, build, equip, install, own, maintain, manage and carry on housing, nursing homes, sheltered homes, hostels and care homes in any part of the United Kingdom and in particular in areas thereof in which there are now, or shall for the time being be, no nursing sheltered or care homes, or insufficient nursing sheltered or care homes or housing or hostels and to sell articles of food and drink in such places.
- (b) To purchase take on lease or in exchange hire or otherwise acquire any real or personal property or any rights or privileges which may be deemed necessary or convenient for any of the purposes of the Company.
- (c) To encourage promote and publicise the objects of the Company by means of the circulation or publication of all forms of printed matter or other means of advertisement.
- (d) To act in concert or make any arrangements with any Government department or agency, local or public authority, or any other body or association.
- (e) To establish and support, and to aid in the establishment and support of, any other charitable company or body of persons formed for all or any of the Objects.
- (f) To merge via any means with any charitable companies, institutions, societies or associations having objects altogether or in part similar to the Objects and which by their constitution prohibit the distribution of their income and property among their members to an extent at least as great as is imposed on the Company under or by virtue of Article 1.4 hereof.
- (g) To employ and pay any person or persons to supervise, organise, carry on the work of and to advise the Company and as employers of staff to make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their widows and other dependants.
- (h) To insure and arrange insurance cover, and to indemnify its officers, servants and voluntary workers and those of its members from and against all such risks incurred in the course of the performance of their duties as may be thought fit.
- (i) To raise or borrow money for the purposes of the Company on such terms and on such security, if any, as may be thought fit and to make arrangements for the discharge or guarantee of all or any of the liabilities of the Company.
- (j) To draw, make, accept, indorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts.
- (k) To make any charitable donation either in cash or assets for the furtherance of the objects of the Company.

- (l) To invite and receive any property, endowment, legacy, bequest or gift for any purpose within the objects of the Company and to act as trustees or managers thereof.
- (m) To invest the monies of the Company not immediately required for its purposes in or upon such investments, security or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter in 1.3 provided, and to lend money to and guarantee the performance of the contracts or obligations of any person firm or company where such lending or guarantee is calculated directly or indirectly to further the Objects.
- (n) To sell, let, hire out, mortgage, dispose of or turn to account all or any of the property or assets of the Company as may be thought expedient.
- (o) To undertake and execute any trusts or agency which may be lawfully undertaken by the Company and may be calculated to further the Objects.
- (p) To do all such lawful things as are incidental or conducive to the attainment of the Objects.
- (q) To enter into and perform any derivative transaction on such terms as the Company thinks fit for the purpose of hedging or otherwise managing any treasury risk or other exposure of the Company provided that:
 - (i) for the purposes of this Article "**derivative transaction**" means any transaction which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, or any combination of these transactions; and
 - (ii) in exercising its powers under this Article, the Company shall comply with any regulatory requirements applicable to it at the relevant time relating to the use of derivative transactions.

1.3 Provided always as follows:-

- (1) In case the Company shall take or hold any property which may be subject to any trusts, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
- (2) The Company's objects shall not extend to the regulation of relations between workers and employers or organisations of workers and organisations of employers.
- (3) In case the Company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the Company shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the Board of Directors of the Company shall be chargeable for any such property that may

come into their hands and shall be answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property in the same manner and to the same extent as they would as such Board of Directors have been if no incorporation had been effected and the incorporation of the Company shall not diminish or impair any control or authority exercisable by the Chancery Division or the Charity Commissioners over such Board of Directors but they shall as regards any such property be subject jointly and separately to such control or authority as if the Company were not incorporated.

- 1.4 The income and property of the Company whencesoever derived, shall be applied solely towards the promotion of the Objects, and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the members of the Company.

Provided that nothing herein shall prevent the payment, in good faith, of reasonable and proper remuneration to any officer or servant of the Company, or to any member of the Company in return for any services actually rendered to the Company, nor prevent the payment of interest at a rate not exceeding 2 per cent per annum less than the base lending rate of the Company's bankers on money borrowed or reasonable and proper rent for the premises demised or let by any member to the Company; but so that no Director or member of the Board of Directors of the Company shall be appointed to any salaried office of the Company or any office of the Company paid by fees, and that no remuneration or other benefit in money or money's worth shall be given by the Company to any Director or member of such Board, except repayment of reasonable out-of-pocket expenses and interest at the rate aforesaid on money borrowed or reasonable and proper rent for premises demised or let to the Company; provided that the provision last aforesaid shall not apply to any payment to any company of which a Director may be a member and in which such Director shall not hold more than one hundredth part of the capital and such Director shall not be bound to account for any share of profits which they may receive in respect of any such payment.

- 1.5 No addition, alteration or amendment shall be made to or in the provisions of the Articles for the time being in force which would cause the Company to cease to be charitable at law.

- 1.6 The liability of the members is limited.

- 1.7 Every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while they are a member or within one year after they cease to be a member for payment of the debts and liabilities of the Company contracted before they cease to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributories among themselves such amount as may be required, not exceeding one pound (£1.00).

- 1.8 **Interpretation**

In these Articles:

"Act"	means the Companies Act 2006;
"AGM"	means an annual general meeting of the Company
"Articles"	means these Articles of Association of the Company

"Beneficiary"	means a person to whom the Company may grant benefits in furtherance of the Objects
"Board"	means the board of Directors of the Company and (where appropriate) includes a Committee and the Directors acting by written resolution
"Board Meeting"	means a meeting of the Board
"Business Day"	means any day other than a Saturday, Sunday or a bank holiday
"Chair"	means (subject to the context) either the person elected as chair of the Company under Article 22 or where the Chair of the Company is not present or has not taken the chair at a meeting means the person who is chairing a Board Meeting or General Meeting at the time
"Charities Act"	means the Charities Act 2011;
"Charity Commission"	means the Charity Commission for England and Wales and includes any successor body carrying on similar regulatory functions in relation to a period of notice
"Clear Days"	means the 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
"Committee"	means a committee of the Board exercising powers delegated to it by the Board under Article 23
"Companies House"	means the office of the Registrar of Companies
"Company"	means the company intended to be regulated by the Articles
"Director"	means any director of the Company
"Fixed Term"	has the meaning given to it in Article 16.4
"General Meeting"	means a meeting of the Members, including an AGM
"including"	means "including without limitation" and "include" and "includes" are to be construed accordingly
"Member"	means a company member of the Company for the time being
"Objects"	means the objects of the Company set out in Article 1.1
"Observers"	means those persons (other than Directors) present under Article 24 at a Board Meeting

"Registered Office"	means the registered office of the Company
"Resident"	means a person who occupies a residential property owned or managed by the Company as their only or principal home.
"Resident Forum"	means the principle representative body for the purpose of consultation with residents in relation to the service delivery, performance and strategic plans.
"Regulator"	means The Regulator of Social Housing established pursuant to Part 2, Housing and Regeneration Act 2008, or any future body or authority (including any statutory successor) carrying on similar regulatory or supervisory functions.
"Senior Independent Director"	means a person elected as a Senior Independent Director of the Company under Article 22
"Social Housing"	shall bear the meaning given to it in sections 68-70, Housing and Regeneration Act 2008
"Standing Orders"	means the regulations and various documents made by the Board in accordance with Article 34 to regulate, amongst other matters, the proceedings of Committees, financial matters and levels of delegation within the Company
"United Kingdom"	means Great Britain and Northern Ireland
"Working Party"	means a body established by the Board to make recommendations to the Board but without decision-making powers under Article 23

1.9

In the Articles:

- 1.9.1 terms defined in the Act are to have the same meaning;
- 1.9.2 references to the singular include the plural and vice versa and to the masculine include the feminine and neuter and vice versa;
- 1.9.3 references to "organisations" or "persons" include corporate bodies, public bodies, unincorporated associations and partnerships;
- 1.9.4 references to legislation, regulations, determinations and directions include all amendments, replacements or re-enactments and references to legislation (where appropriate) include all regulations, determinations and directions made or given under it;
- 1.9.5 references to Articles are to those within the Articles; and
- 1.9.6 the headings are not to affect their interpretation.

None of the model articles in the Companies (Model Articles) Regulations 2008 applies to the Company.

PART B. COMPANY MEMBERSHIP

2 MEMBERS

2.1 The Members are:-

- 2.1.1 the Directors from time to time;
- 2.1.2 individuals who are Members on the date of adoption of these Articles by the Company;
- 2.1.3 others admitted to membership of the Company under the Articles in line with any policy relating to the admission of Members adopted by the Board from time to time; and
- 2.1.4 The chair and vice chair of the Resident Forum by virtue of office providing such chair and vice chair accept their position as Members.

2.2 A person may not be admitted as a Member:-

- 2.2.1 unless they have submitted a written application to become a Member in such form as the Board requires;
- 2.2.2 if their admission would cause more than one half of the Members to be Residents;
- 2.2.3 for a period determined by the Board having ceased to be a Member by reason of his being removed as a Director under Articles 17.1.6, 17.1.8 or 17.1.9;
- 2.2.4 if they are an employee of the Company;
- 2.2.5 unless they are aged 16 or over;
- 2.2.6 if they would immediately cease to be a Member or Director under Article 3.1.4 or 17.1.2 or 17.1.3 or 17.1.4 or 17.1.5 or 17.1.11; or
- 2.2.7 they have been removed under Articles 3.1.3 or 3.1.5, unless the Board resolves otherwise.

3 TERMINATION OF MEMBERSHIP

3.1 A person will cease to be a Member:-

- 3.1.1 on giving written notice of resignation to the Secretary; or
- 3.1.2 if they are a Director of the Company and cease to be such, unless the Board resolves that they should remain a Member; or

- 3.1.3 if the Board resolves to terminate the membership of a Member for a reasonable cause, subject to giving the Member concerned a reasonable opportunity to explain why they should not be removed; or
- 3.1.4 if they are or become an employee of the Company; or
- 3.1.5 they do not participate in, nor deliver written apologies in advance to, a General Meeting of the Company in the period starting with one AGM up to and including the next AGM and the Board resolves to terminate their membership of the Company.

4 VALIDITY OF DECISIONS

Subject to a General Meeting being quorate in accordance with Article 8.2, a technical defect in the status of a Member of which the chair of the meeting is unaware at the time shall not invalidate decisions of the Members taken in good faith.

PART C. GENERAL MEETINGS

5 GENERAL MEETINGS

- 5.1 All General Meetings are to be called by the Board.
- 5.2 If there are insufficient Directors available to form a quorum at a Board Meeting to call a General Meeting it may be called in the same way as a Board Meeting.
- 5.3 On receiving a requisition from the required percentage of the Members under section 303 of the Act the Board must promptly (and in the time limits specified in the Act) convene a General Meeting.

6 ANNUAL GENERAL MEETINGS

- 6.1 The Company shall hold an AGM each year.
- 6.2 There must be no more than 15 months between one AGM and the next.
- 6.3 The AGM is to be held at such time and place as the Board decides.
- 6.4 The business of the AGM is:
 - 6.4.1 to receive the annual Directors' report;
 - 6.4.2 to receive the accounts and the auditors' report;
 - 6.4.3 to appoint the auditors (if necessary); and
 - 6.4.4 to transact any other business specified in the notice convening the meeting.

7 NOTICE OF GENERAL MEETINGS

- 7.1 All General Meetings must be called by at least 14 Clear Days' notice.

- 7.2 A General Meeting may be called by shorter notice if this is agreed by a majority in number of the Members who may attend and vote and who together hold 90% or more of the total voting rights of all of the Members at the General Meeting.
- 7.3 The notice must specify:-
- 7.3.1 the time, date and place of the General Meeting;
 - 7.3.2 the general nature of the business to be transacted; and,
 - 7.3.3 in the case of an AGM, that it is the AGM.
- 7.4 Subject to the Act no business may be transacted at a General Meeting except that specified in the notice convening the meeting.
- 7.5 Notice of a General Meeting must be given to all of the Members, the Directors and the Company's auditors (if any).
- 7.6 Notice of a General Meeting may be given to the persons entitled to receive it in any manner permitted by the Act from time to time including (but not limited to) in hard copy, by means of a website, or by other electronic means, subject in each case to compliance by the Company with any requirements prescribed by or pursuant to the Act in relation thereto.
- 7.7 The accidental omission to give notice of a General Meeting, or a resolution intended to be moved at such General Meeting to, or the non-receipt of notice of a General Meeting or such a resolution by, any person entitled to receive notice or resolution will not invalidate the proceedings at that General Meeting.
- 8 QUORUM**
- 8.1 No business may be transacted at a General Meeting unless a quorum is present.
- 8.2 The quorum for General Meetings is two of the Members for the time being present in person or by proxy.
- 8.3 A Member may attend a General Meeting and be part of the quorum if they can understand, comment and vote on the proceedings through telephone, video conferencing or other communications equipment.
- 8.4 If a quorum is not present within 15 minutes from the time of the General Meeting or a quorum ceases to be present during a General Meeting it must be adjourned to such time and place as the Board decides.
- 8.5 Reasonable notice of an adjournment of a General Meeting because of a lack of quorum pursuant to this Article 8 and the time and place of the adjourned General Meeting must be given to all Members.
- 9 CHAIR AT GENERAL MEETINGS**
- 9.1 The Chair is to chair General Meetings.
- 9.2 If the Chair is not present within 15 minutes from the time of the General Meeting or is unwilling to act then the Senior Independent Director must chair the General Meeting.

- 9.3 If neither the Chair nor the Senior Independent Director (if any) is present and willing to act within 15 minutes from the time of the General Meeting, the Members present must choose one of their number to chair the General Meeting.

10 **ADJOURNMENT OF GENERAL MEETINGS**

- 10.1 The Chair may, with the consent of a General Meeting at which a quorum is present (and must if so directed by the General Meeting), adjourn it to a time and place agreed by the General Meeting.
- 10.2 The Chair may adjourn a General Meeting if it appears to the Chair that:-
- 10.2.1 more people wish to attend the meeting than was reasonably to be expected and the room is too small;
 - 10.2.2 unruly conduct is likely to prevent the orderly holding of the meeting; or
 - 10.2.3 for any other reason an adjournment is necessary for the business of the meeting to be properly conducted.
- 10.3 The only business which may be transacted at an adjourned General Meeting is that left unfinished from the General Meeting which was adjourned.
- 10.4 It is not necessary to give notice of a General Meeting which is adjourned under Articles 10.1 or 10.2 unless it is adjourned for 30 days or more in which case 7 Clear Days' notice must be given.
- 10.5 Resolutions passed at an adjourned General Meeting are to be treated as having been passed on the date on which they were actually passed.

11 **VOTING AT GENERAL MEETINGS**

- 11.1 Resolutions are to be decided on a show of hands unless a ballot is properly demanded.
- 11.2 Each Member present in person or by proxy has one vote both on show of hands and a ballot.
- 11.3 If there is an equality of votes on a show of hands or a ballot the Chair is entitled to a second or casting vote.
- 11.4 An objection to the qualification of any voter may only be raised at the General Meeting at which the vote objected to is tendered. Every vote not disallowed at the General Meeting is valid. An objection must be referred to the Chair whose decision is final.
- 11.5 A declaration by the Chair that a resolution has been carried (or not carried) unanimously, or by a particular majority, which is entered into the minutes of the meeting is conclusive evidence of the fact unless a ballot is demanded in accordance with Article 12.

12 **BALLOTS**

- 12.1 A ballot may be demanded by the Chair or any two Members before or on the declaration of the result of a show of hands.

- 12.2 A demand for a ballot may be withdrawn before the ballot is taken. If the demand for a ballot is withdrawn the result of the show of hands will stand.
- 12.3 The demand for a ballot will not prevent the General Meeting continuing to transact business other than in relation to the question on which the ballot is demanded.
- 12.4 A ballot is to be taken as the Chair directs. The Chair may appoint scrutineers (who need not be Members) and set a time and place to declare the result. The result will be the resolution of the General Meeting at which the ballot was demanded but will be treated as passed when the result is declared.
- 12.5 A ballot on the election of a chair or an adjournment must be taken immediately. A ballot on any other question may be taken either immediately or at such time and place as the Chair directs,
- 12.6 At least 7 Clear Days' notice must be given of the time and place at which the ballot is to be taken unless the time and place are announced at the General Meeting at which it is demanded.

13 PROXIES

- 13.1 A Member may appoint a proxy in writing. A proxy need not be a Member. The Board may from time to time prescribe a form to appoint a proxy by Standing Orders made under Article 34. A proxy may not appoint another proxy.
- 13.2 The document appointing a proxy may instruct the proxy which way to vote on particular resolutions.
- 13.3 A proxy will only be valid if the document appointing a proxy (and any power of attorney or other authority (if any) under which it is signed) or a properly certified copy is deposited at the Registered Office at least 24 hours before the starting time for the General Meeting or adjourned General Meeting at which the proxy proposes to vote.
- 13.4 A vote given or ballot demanded by proxy is to be valid despite:-
- 13.4.1 the revocation of the proxy; or
- 13.4.2 the death or insanity of the principal
- unless written notice of the death, insanity or revocation is received at the Registered Office before the start of the General Meeting or adjourned General Meeting at which the proxy is used.
- 13.5 A proxy form will not be valid for any part of a General Meeting at which the Member who appointed the proxy is present.
- 13.6 Any questions as to the validity of a proxy shall be determined by the chair of the meeting whose decision shall be final.

14 COMPANY RESOLUTIONS

- 14.1 An ordinary resolution to be proposed at a General Meeting may be amended if:

- 14.1.1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the General Meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chair may determine); or
 - 14.1.2 the Chair proposes the amendment at the General Meeting at which the resolution is to be proposed;
- and in each case
- 14.1.3 the proposed amendment does not, in the reasonable opinion of the Chair, materially alter the scope of the resolution.
- 14.2 A special resolution to be proposed at a General Meeting may be amended by ordinary resolution, if:
- 14.2.1 the Chair proposes the amendment at the General Meeting at which the resolution is to be proposed; and
 - 14.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 14.3 If the Chair, acting in good faith, wrongly decides that an amendment to a resolution is out of order, that error shall not invalidate the vote on that resolution as originally proposed.
- 14.4 Subject to the Act:
- 14.4.1 a special resolution of the Company may be passed by a written resolution signed by a majority of not less than 75% of the Members entitled to attend and vote at a General Meeting (provided those Members would constitute a quorum at a General Meeting); and
 - 14.4.2 an ordinary resolution of the Company may be passed by a written resolution signed by a majority of not less than 50% plus one vote of the Members entitled to attend and vote at a General Meeting (provided those Members would constitute a quorum at a General Meeting);
- and any resolution proposed to be passed using the written resolution procedure set out in this Article 14.4 shall state clearly on the face of such resolution whether it is to be passed as a special resolution or an ordinary resolution of the Company.
- 14.5 A resolution under Article 14.4 above may consist of several documents in similar form each signed by one or more Members.

PART D. DIRECTORS

15 APPOINTMENT OF DIRECTORS

- 15.1 Unless the Board decides otherwise:-
 - 15.1.1 the minimum number of Directors is 3; and
 - 15.1.2 the maximum number of Directors is 12.

15.2 If the number of Directors falls below the number necessary for a quorum, the remaining Directors may continue to act as the Board for a maximum period of six months and the provisions of Article 21.1 shall be suspended for that time. At the end of that time the only power that the Board may exercise shall be to appoint Directors pursuant to Article 16 to bring the number of Directors up to that required by these Articles.

16 COMPOSITION OF THE BOARD AND APPOINTMENT OF DIRECTORS

16.1 Directors shall be appointed as provided in the Articles.

16.2 A person may not be a Director:

16.2.1 unless they are a Member;

16.2.2 unless they are aged 16 or over; and

16.2.3 if they are a Resident and their appointment as a Director would result in more than half of the total Directors at the time of their appointment being Residents.

16.3 No more than five Directors shall be Residents.

16.4 All Directors shall be elected for a term of office of up to three years (the “**Fixed Term**”). In each case the Fixed Term will take effect from the conclusion of the AGM at which the Director is elected and shall expire at the conclusion of the AGM in the third year after that in which they were elected.

16.5 At every AGM those Directors who have completed their Fixed Term in accordance with Article 16.4, together with any Interim Directors (as defined in Article 16.10) then in office, shall retire from office with effect from the conclusion of that AGM. New Directors will be elected to fill those vacancies in accordance with Articles 16.6 to 16.8 (inclusive). Subject to Article 16.9, a retiring Director or Interim Director may offer themselves for re-election for a (further) Fixed Term in accordance with Article 16.8.

16.6 All elections for Directors at the AGM shall be conducted in the manner directed by the chair of the meeting. Each Member present in person or by proxy shall be entitled to one vote for each vacancy to be filled but shall not give more than one vote to any one candidate.

16.7 In casting their votes in an election, Members shall endeavour to ensure that the Board possesses the quality, skills and expertise that the Board has determined from time to time that it requires.

16.8 If at any AGM the number of Directors offering themselves for re-election (including any Interim Directors standing for election as Directors) together with any other persons standing for election to the Board as Directors (the “Candidates”) does not exceed the number of Directors to be elected, the Candidates shall be declared by the Chair to have been duly elected or re-elected; but if the number of Candidates exceeds the number of Directors to be elected the Members shall elect from amongst such Candidates the persons to serve on the Board as Directors in accordance with Article 16.6.

16.9 Any retiring Director, having completed two continuous Fixed Terms shall not be eligible for re-election in accordance with Article 16.5.

- 16.10 Notwithstanding article 16.9, the Board may agree that circumstances exist where it would be in the best interest of the Company for a Director to serve for a longer period. Any extension beyond two Fixed Terms will be on an annual appointment basis and no Director may serve for longer than nine years in total. This Article 16.10 will not apply where the resulting vacancy would result in the number of Directors falling below the number necessary to constitute a quorum for the purposes of Article 21.
- 16.11 In the event that the total number of Directors falls below 12, then the Board may, subject to Article 16.2, appoint a Director to fill any vacancy (an "Interim Director") to hold office until the next AGM (the "**Interim Period**").
- 16.12 At each AGM, every Interim Director (if any) shall step down from office with effect from the conclusion of that AGM, but may stand as a Candidate for election at that AGM as a Director in relation to a vacancy for that office to be filled pursuant to Article 16.5.
- 16.13 In the event an Interim Director is subsequently elected as a Director in accordance with Article 16.5, the Interim Period for which they initially served shall not be counted towards any Fixed Term for the purposes of Articles 16.4 or 16.9 but they will be subject to the maximum term in office of no more than nine years in total.

17 **RETIREMENT AND REMOVAL OF DIRECTORS**

17.1 A Director will cease to hold office if they:-

- 17.1.1 die;
- 17.1.2 cease to be a Director under the Act or is prohibited by law from being a Director or is disqualified from acting as a charity trustee under the Charities Act;
- 17.1.3 have become physically or mentally incapable of acting as a Director and may remain so for more than three months, and a registered medical practitioner who is treating that person gives a written opinion to the Company stating such;
- 17.1.4 are declared bankrupt or make any arrangement or composition with their creditors;
- 17.1.5 are in the opinion of the Board guilty of conduct detrimental to the interests of the Company and the Board resolves by a 75% majority of the Directors present and voting (but excluding the Director in question) that they should be removed provided that the Director concerned has first been given an opportunity to put their case and to justify why they should not be removed as a Director;
- 17.1.6 resign by written notice to the Secretary;
- 17.1.7 have failed to attend at least 75% of the meetings of the Board and any Committee of which they are part in one rolling twelve-month period without special leave of absence from the Board or relevant Committee chair and the Board resolves by a 75% majority of the Directors present and voting (but excluding the Director in question) that they should cease to be a Director;
- 17.1.8 are or have been convicted of any indictable offence which is or cannot be spent;

17.1.9 reach the end of their Fixed Term as prescribed by Article 16.4, any period of extension under Article 16.9 and are not reappointed or re-elected as a Director in accordance with these Articles;

17.1.10 become an employee of the Company; or

17.1.11 cease to be a Member.

18 **DIRECTORS' INTERESTS**

18.1 A Director who has in any way a direct or indirect interest in any current or proposed contract, arrangement or dealing with the Company must declare the nature and extent of their interest to the other Directors before the matter is discussed by the Board. Such declaration may be made at a Board Meeting or by written notice.

18.2 Every Director must ensure that at all times the Secretary has a list of:-

18.2.1 any other body of which they are a director or officer;

18.2.2 any firm in which they are a partner;

18.2.3 any public body of which they are an official or elected member;

18.2.4 any company whose shares are publicly quoted in which they own or control more than 2% of the shares;

18.2.5 any company whose shares are not publicly quoted in which they own or control more than 10% of the shares;

18.2.6 any property of which they are a Resident; or

18.2.7 any other interest which is significant or material.

18.3 If a declaration of interest proves to be or becomes inaccurate or incomplete a further declaration must be made.

18.4 Any required declaration of interest must be made before the Company enters into the transaction or arrangement.

18.5 A declaration is not required in relation to an interest of which the Director is not aware or where the Director is not aware of the transaction or arrangement in question. For this purpose a Director is treated as being aware of matters of which they ought reasonably to be aware.

18.6 A Director need not declare an interest:

18.6.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interests; or

18.6.2 if, and to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as being aware of anything of which they ought reasonably to be aware).

- 18.7 A decision of the Board will not be invalid because of the subsequent discovery of an interest which should have been declared.
- 18.8 A Director may enter into a transaction or arrangement with the Company only if and to the extent that such an arrangement is permitted by Article 1.4.
- 18.9 **Personal Interests**
- 18.9.1 A Director has a personal interest in a matter which is to be discussed or determined by the Board if they will be directly affected by the decision of the Board in relation to that matter.
- 18.9.2 Subject to Article 18.9.3 a Director who has a personal interest in a matter which is to be discussed or determined by the Board:-
- 18.9.2.1 may not count towards the quorum in relation to that matter;
- 18.9.2.2 must leave the Board Meeting at which the matter is discussed and determined;
- 18.9.2.3 may not take part in the discussion in relation to that matter; and
- 18.9.2.4 may not vote in relation to that matter.
- 18.9.3 Notwithstanding Article 18.9.2 and subject to Article 1.4 a Director who is a Beneficiary may in relation to a matter which is to be discussed or determined by the Board and which affects the Director as a Beneficiary and a substantial number of other Beneficiaries in an identical manner:-
- 18.9.3.1 count towards the quorum in relation to that matter;
- 18.9.3.2 take part in the discussion in relation to that matter;
- 18.9.3.3 remain in the Board Meeting at which the matter is discussed and determined; and
- 18.9.3.4 vote in relation to that matter.
- 18.10 **Non-Personal Interests**
- 18.10.1 Subject to Article 18.10.2, the Directors may authorise a Director who has an interest in a matter which is to be discussed or determined by the Board but which is not a personal interest, subject to their fulfilling their duty to act in the best interests of the Company, to:
- 18.10.1.1 count towards the quorum in relation to that matter;
- 18.10.1.2 take part in the discussion in relation to that matter;
- 18.10.1.3 remain in the Board Meeting at which the matter is to be discussed or determined; and
- 18.10.1.4 vote in relation to that matter.

- 18.10.2 A Director who has a non-personal interest may only be authorised as set out in Article 18.10.1 by those Directors not having a conflict provided that (in relation to the authorisation of that Director):
- 18.10.2.1 the Director with the conflict (and any other interested Director) is not counted when considering whether or not there is a valid quorum for that part of the Board Meeting and does not vote in relation to their authorisation; and
 - 18.10.2.2 the Directors who do not have a conflict in relation to the matter in question consider it is in the best interests of the Company to authorise the transaction.
- 18.10.3 Any authorisation made in accordance with this Article 18.10 shall be made on such terms and subject to such conditions as the Board may determine.
- 18.10.4 The Directors who do not have a conflict in relation to the matter in question may, in their absolute discretion, determine that the Director with the conflict and/or any other interested Director should absent themselves from the part of the Board Meeting at which there is discussion concerning the transaction or arrangement giving rise to the conflict.

PART E. BOARD MEETINGS

19 POWERS OF THE BOARD AND DUTIES OF DIRECTORS

- 19.1 Subject to the Act and the Articles, the business of the Company is to be managed by the Board who may exercise all of the powers of the Company.
- 19.2 An alteration to the Articles does not invalidate earlier acts of the Board which would have been valid without the alteration.
- 19.3 The Board may from time to time set out in writing the obligations of every Director to the Board and to the Company statement. Notwithstanding any such statement from time to time, the Directors shall comply with Chapter 2 of Part 10 of the Act in the discharge of their duties at all times.

20 BOARD MEETINGS

- 20.1 Subject to the Articles, the Board may regulate Board Meetings as it wishes.
- 20.2 Board Meetings may be called by any Director or the Secretary.
- 20.3 The Secretary must give 7 days' notice of Board Meetings to each of the Directors but it is not necessary to give notice of a Board Meeting to a Director who is out of the United Kingdom.
- 20.4 A Board Meeting that is called on shorter notice than required under Article 20.3 is deemed to have been duly called if at least two Directors (one of which must be the Chair) or a Director and the Secretary certify in writing that because of special circumstances it ought to be called as a matter of urgency.

- 20.5 Subject to Article 20.6 questions arising at a Board Meeting are to be decided by a majority of votes.
- 20.6 If there is an equality of votes the Chair is entitled to a second or casting vote.
- 20.7 A technical defect in the appointment of a Director or in the delegation of powers to a Committee of which the Board is unaware at the time does not invalidate decisions taken in good faith.
- 20.8 Meetings of the Board can take place in any manner that permits those attending to hear and comment on proceedings thereat.

21 QUORUM FOR BOARD MEETINGS

- 21.1 The quorum for Board Meetings is three of the Directors for the time being.
- 21.2 A Director may attend a Board Meeting and be part of the quorum if they can understand, comment and vote on the proceedings through telephone, video conferencing or other communications equipment.
- 21.3 The Board may act despite vacancies in its number but if the number of Directors is less than three then the Board may act only to:
- 21.3.1 call a General Meeting; or
- 21.3.2 appoint Directors under Article 16.10..
- 21.4 At a Board Meeting which remains inquorate for 15 minutes after the time at which it was due to start or one which becomes inquorate for more than 15 minutes the Directors present may act only to adjourn it to such other time and place as they decide.
- 21.5 If at the adjourned meeting there are again insufficient Directors present within 15 minutes from the time of the adjourned Board Meeting to constitute a quorum then those Directors who are present shall constitute a quorum for the purpose of allowing any business of the adjourned meeting to be conducted.

22 CHAIR AND SENIOR INDEPENDENT DIRECTOR

- 22.1 The Company must have a Chair and may have a Senior Independent Director. The Chair and the Senior Independent Director (if any) are to be elected by the Board. The Board must decide the period during which they are each to hold office and the precise point at which their term of office ends. Both the Chair and the Senior Independent Director (if any) may be re-elected.
- 22.2 The Chair and the Senior Independent Director (if any) may resign from their positions at any time (without necessarily resigning as Directors at the same time).
- 22.3 Where there is no Chair the first item of business of a Board Meeting must be to elect a Chair.
- 22.4 The Chair and the Senior Independent Director (if any) may be removed only at a Board Meeting called for the purpose at which a resolution with a majority in favour is passed. The

Chair or the Senior Independent Director (as the case may be) must be given an opportunity to say why they should not be removed.

22.5 The Chair is to chair all Board Meetings and General Meetings at which they are present unless they do not wish, or are not able, to do so.

22.6 If the Chair is not present within 15 minutes after the starting time of a Board Meeting or if the Chair is unwilling or unable to chair a Board Meeting, then the Senior Independent Director (if any) must chair that Board Meeting unless they are unwilling or unable to do so, until such time as the Chair arrives.

22.7 If both the Chair and the Senior Independent Director (if any) are not present within 15 minutes after the starting time of a Board Meeting or both are unwilling or unable to chair the meeting then the Board must elect one of the Directors who is present to chair the Board Meeting, until such time as the Chair or the Senior Independent Director (if any) arrive.

22.8 The functions of the Chair are:-

22.8.1 to act as an ambassador for the Company and to represent the views of the Board to the general public and other organisations;

22.8.2 to ensure that Board Meetings and General Meetings are conducted efficiently;

22.8.3 to give all Directors an opportunity to express their views;

22.8.4 to establish a constructive working relationship with, and to provide support for, the senior officers;

22.8.5 where necessary (and in conjunction with the other Directors) to ensure that, where the post of any senior officer is or is due to become vacant, a replacement is found in a timely and orderly fashion;

22.8.6 to encourage the Board to delegate sufficient authority to its Committees to enable the business of the Company to be carried on effectively between Board Meetings;

22.8.7 to ensure that the Board monitors the use of delegated powers; and

22.8.8 to encourage the Board to take professional advice when it is needed and particularly before considering the dismissal of a senior officer.

22.9 The role of the Senior Independent Director (if any) is to deputise for the Chair during any period of their absence and, for that period, their function shall be the same as those of the Chair.

22.10 Except to the extent that the Articles provide otherwise neither the Chair nor the Senior Independent Director (if any) has any authority beyond that of any other Director.

23 **COMMITTEES, WORKING PARTIES AND DELEGATION**

23.1 Subject to and in accordance with these Articles, the Board shall have power to delegate, in writing, the exercise of any of its powers to an employee or employees or a Director or Directors of the Company on such terms as it determines. Such delegation may include any

of the powers and discretions of the Board capable of delegation from time to time. The Board may revoke a delegation pursuant to this Article 23.1 at any time.

23.2 The Board may:

23.2.1 establish Committees consisting of those persons whom the Board decides;

23.2.2 delegate to a Committee any of its powers; and

23.2.3 revoke a delegation at any time.

23.3 The Board may establish Working Parties consisting of those persons whom the Board decide. A Working Party may not take decisions on behalf of the Board but may consider issues in depth with a view to making recommendations to the Board.

23.4 The members of a Committee or a Working Party are to be appointed by the Board but the Board may give a Committee or a Working Party the right to co-opt individuals to its membership. The Board is to determine the chair of each Committee or Working Party.

23.5 Each member of a Committee or Working Party (including the chair) is to hold office from the date of their appointment until the term of office for which they have been appointed expires or until they resign or are removed by the Board from the Committee or Working Party.

23.6 The Board must determine the quorum for each Committee and Working Party it establishes (and in the absence of such determination from the Board, the quorum shall be two members of the Committee or Working Party).

23.7 The Board must specify the financial limits within which any Committee may function. A Working Party can have no authority to incur expenditure.

23.8 Every Committee or Working Party must report its proceedings and decisions to the Board as the Board determines.

23.9 Meetings of a Committee or Working Party can take place in any manner that permits those attending to hear and comment on proceedings thereat.

24 **OBSERVERS**

24.1 The Board may allow individuals who are not Directors to attend Board Meetings or meetings of a Committee or Working Group as Observers on whatever terms they decide.

24.2 Observers may not vote but may take part in discussions with the prior consent of the Chair.

24.3 The Board may exclude Observers from any part of a Board Meeting where the Board considers the business is private.

24.4 The Board must exclude an Observer from any Board Meeting at which a possible personal benefit to them is being considered.

25 DIRECTORS' WRITTEN RESOLUTIONS

- 25.1 A written resolution which has been signed (or agreement has otherwise been indicated in writing) by a simple majority of the Directors entitled to receive notice of a Board Meeting (provided they would constitute a quorum at a Board Meeting and that the resolution has been circulated to all Directors) is as valid as if it had been passed at a Board Meeting.
- 25.2 A written resolution which has been signed (or agreement has otherwise been indicated in writing) by all of the members of a Committee (provided they would constitute a quorum of that Committee) is as valid as if it had been passed at a meeting of that Committee.
- 25.3 A resolution under Articles 25.1 or 25.2 may consist of several documents in similar form each signed (or agreement otherwise indicated in writing) by one or more of the Directors or members of the Committee and will be treated as passed on the date of the last signature (or indication of agreement in writing).

PART F. OFFICERS

26 THE SECRETARY

- 26.1 A Secretary must be appointed by the Board for such a term as the Board decides.
- 26.2 A Secretary may be removed by the Board at any time.
- 26.3 The duties of the Secretary include advising the Board on legal compliance.
- 26.4 No Director may occupy the salaried position of Secretary.

27 INDEMNITIES FOR OFFICERS AND EMPLOYEES

- 27.1 The Company may indemnify any officer or employee (other than a Director) against any liability incurred by them in their capacity as such except when that liability is due to their own dishonesty or gross negligence. The Company has the power, under Article 1.2 to insure and arrange insurance cover, for its officers and employees.
- 27.2 Subject to the Act (in particular sections 232-238 or any section of any other statute amending or replacing sections 232-238) and Article 27.3, the Company may indemnify any Director against any liability incurred by them in their capacity as such.
- 27.3 The indemnity provided to a Director in accordance with Article 27.2 may not include any indemnity against liability:-
- 27.3.1 to the Company or a company associated with it;
 - 27.3.2 for fines or penalties;
 - 27.3.3 incurred as a result of their unsuccessful defence of criminal or civil proceedings;
or
- 27.4 The indemnity provided to a Director in accordance with Article 27.2 may include the provision of funds to cover their legal costs as they fall due on terms that the Director in question will repay the funds if they are unsuccessful in their defence of the criminal or civil proceedings to which these costs relate.

- 27.5 In respect to its auditor the Company may:-
- 27.5.1 purchase and maintain insurance for their benefit against any liability incurred by them in their capacity as such; and
 - 27.5.2 indemnify them against any liability incurred in defending any proceedings (whether civil or criminal) in which judgment is given in their favour or they are acquitted or in connection with any application under section 1157 of the Act or any section of any other statute amending or replacing section 1157 in which relief is granted to them by the Court.

PART G. STATUTORY AND MISCELLANEOUS

28 MINUTES

- 28.1 The Secretary must keep minutes of all General Meetings and Board Meetings.
- 28.2 The Board must arrange for written minutes to be kept of all Board Meetings for at least 10 years (or longer, where this represents best practice in relation to the minutes in question). The names of the Directors present must be included in the minutes.
- 28.3 Copies of the draft minutes of Board Meetings must be distributed to the Directors as soon as reasonably practicable after the meeting.
- 28.4 Minutes must be approved as a correct record at the next General Meeting (as regards minutes of General Meetings) or Board Meeting (as regards minutes of Board Meetings) unless the next Board Meeting is in the opinion of the Board at that meeting an urgent Board Meeting (in which case the minutes must be approved at the next Board Meeting after that urgent Board Meeting) or, in urgent circumstances, the Chair may approve the minutes of a Board Meeting. Once approved they must be signed (which may be done electronically) by the person chairing the meeting at which they are approved.
- 28.5 The Board must keep minutes of all of the appointments made by the Board.

29 ACCOUNTS ANNUAL REPORT AND ANNUAL RETURN

- 29.1 The Company must comply with Part 15 of the Act and the Directors must comply with their obligations as charity trustees under the Charities Act in:-
- 29.1.1 preparing and filing an annual Directors report and annual accounts and sending them to the Charity Commission and the Registrar of Companies; and
 - 29.1.2 making an annual return to the Registrar of Companies and the Charity Commission.
- 29.2 The Company must comply with Parts 15 and 16 of the Act relating to the audit or examination of accounts (to the extent that the law requires).
- 29.3 The annual Directors' report and accounts must contain:-
- 29.3.1 revenue accounts and balance sheet for the last accounting period;
 - 29.3.2 the auditor's report on those accounts; and

29.3.3 the Board's report on the affairs of the Company.

29.4 The accounting records of the Company must always be open to inspection by a Director.

30 **BANK AND BUILDING SOCIETY ACCOUNTS**

30.1 All bank and building society accounts must be operated by the Board and must include the name of the Company.

30.2 A cheque or order for the payment of money must be signed in accordance with the Board's instructions.

31 **EXECUTION OF DOCUMENTS**

31.1 Unless the Board decides otherwise, documents which are executed as deeds must be signed by:

31.1.1 two Directors; or

31.1.2 one Director and the Secretary; or

31.1.3 one Director in the presence of a witness who attests the Director's signature; or

31.1.4 in such other manner permitted by law (including by way of seal through any person or persons authorised by the Directors to use the seal) as the Board may prescribe from time to time.

31.2 Documents that are not deeds may be executed in such manner as the Board may prescribe from time to time.

32 **NOTICES**

32.1 Notices under the Articles must be in writing except notices calling Board Meetings.

32.2 A Member present in person at a General Meeting is deemed to have received notice of the General Meeting and (where necessary) of the purposes for which it was called.

32.3 The Company may give a notice to a Member, Director, Secretary or auditor either:

32.3.1 personally;

32.3.2 by sending it by post in a prepaid envelope;

32.3.3 by facsimile transmission;

32.3.4 by leaving it at their address;

32.3.5 by email, in the manner provided for in the Act from time to time; or

32.3.6 by means of a website, in the manner provided for in the Act from time to time.

32.4 Notices under Article 32.3.2 to 32.3.4 (inclusive) may be sent:

- 32.4.1 to an address in the United Kingdom which that person has given the Company;
or
- 32.4.2 to the last known home or business address of the person to be served; or
- 32.4.3 to that person's address in the Company's register of Members.
- 32.5 Proof that an envelope containing a notice was properly addressed prepaid and posted is Conclusive evidence that the notice was given 48 hours after it was posted.
- 32.6 Proof that a facsimile transmission was made is conclusive evidence that the notice was given at the time stated on the transmission report.
- 32.7 Notices under Article 32.3.5 may be sent to an email address that that person has provided to the Company. A copy of the notification from the system used by the Company to send emails that the email has been sent to the particular person will be conclusive evidence that the notice was sent and such notice will be deemed to have been delivered 24 hours after it was sent.
- 32.8 A notice may be served on, sent or supplied to the Company in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act for these Articles to be sent or supplied to the Company.
- 32.9 The Board may make Standing Orders to define other acceptable methods of delivering notices.

33 **DISSOLUTION**

- 33.1 If upon the winding up or dissolution of the Company there remains, after all the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the Company, but shall be given or transferred to some other charitable institution or institutions, having objects similar to the Objects, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed by the Company under or by virtue of Article 1.4, such institution or institutions to be determined by the Members at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable objects.

34 **STANDING ORDERS**

- 34.1 Subject to Article 34.4:
 - 34.1.1 the Board may from time to time make Standing Orders or other regulations for the proper conduct and management of the Company; and
 - 34.1.2 the Company in General Meeting may alter, add to or repeal the Standing Orders.
- 34.2 The Board must adopt such means as they think sufficient to bring the Standing Orders to the notice of Members.
- 34.3 Standing Orders are binding on all Members and Directors.
- 34.4 No Standing Order may be inconsistent with or may affect or repeal anything in the Articles.