

**The Companies Acts 1985 to 2006**  
**COMPANY LIMITED BY GUARANTEE AND**  
**NOT HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION**

of

**THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS**

**(As amended by special resolution passed on 23<sup>rd</sup> April 2009)**

- 1 The name of the Company (hereinafter called the “**Company**”) is “The Association of Sail Training Organisations”.
- 2 The registered office of the Company will be situate in England.
- 3 The objects for which the Company is established (the “**Objects**”) are such objects and purposes in any part of the world as are exclusively charitable in accordance with the laws of England and Wales and in particular (but without prejudice to the generality of the foregoing) through promoting the provision of opportunities for sea training under sail or power (“Sail Training”) (1) to provide instruction to young persons and to adults with disabilities in the principles of responsibility, resourcefulness, loyalty and team endeavour and (2) to advance education in the art of seamanship.
- 4 In furtherance of the Objects but not further or otherwise the Company shall have the following powers:
  - 4.1 to take over the activities and assets and liabilities of the unincorporated organisation known as The Association of Sea Training Organisations;
  - 4.2 to support and encourage Sail Training and adventure afloat generally and particularly by those otherwise unable to afford to do so by the provision of bursaries;
  - 4.3 to create public awareness of the opportunities available for Sail Training and adventure afloat by means of lectures, meetings, demonstrations, exhibitions, pamphlets, books and such other media as may be appropriate;
  - 4.4 to represent the interests and negotiate on behalf of bodies providing opportunities for Sail Training with Government departments and other appropriate bodies in all matters relating to sail training generally and particularly in relation to safety, classification of vessels, certification and proficiency of personnel;
  - 4.5 to act as a forum for all Sail Training organisations with similar objectives;
  - 4.6 to accept donations on any special trusts being trusts for charitable purposes only for or within the purposes of the Company so that every donation so accepted shall be held subject to the terms conditions and trusts of the gift;
  - 4.7 to carry out any activity for or within the purposes of the Company jointly with any other person or body of persons established for charitable purposes only;

- 4.8 to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary for the promotion of the Objects, to manage and improve such property and to provide, construct, maintain, alter and equip any facilities, buildings or erections necessary for or conducive to the Objects (subject to such consents as may be required by law);
- 4.9 to exchange, let on lease or otherwise, mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of or otherwise deal with any of the property and rights of the Company as may be necessary or conducive to the Objects (subject to such consents as may be required by law);
- 4.10 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 raising funds the Company shall not undertake any substantial permanent trading activities;
- 4.11 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts in the name of the Company;
- 4.12 to appoint, employ, or otherwise engage, train and dismiss such managers, officers, staff, clerks, servants and other persons not being members of the Board of Directors ("Directors" and "Director" shall have a corresponding meaning) as are considered necessary for the attainment of the Objects and to fix and pay the remuneration of all or any such persons for his her or their services and to make all reasonable and necessary provision for the payment of pensions and superannuation to such persons and their dependants;
- 4.13 subject to such consents as may be required by law to borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit;
- 4.14 to invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, in its absolute discretion, with power to vary or transpose any investments for or into others of any nature subject as hereinafter provided;
- 4.15 to delegate the management of investments to proper and competent persons and to arrange for investments or other property of the Company to be held by a corporate body as nominee;
- 4.16 to act as trustee or manager of any property, endowment, bequest or gift;
- 4.17 to act as trustee or nominee for charities in general and undertake and execute any charitable trusts which may lawfully be undertaken by the Company and may be necessary or conducive to the Objects;
- 4.18 to establish or support or aid in the establishment or support of any charitable trusts associations or institutions, to amalgamate, affiliate or co-operate with any trust association institution or voluntary body with similar charitable purposes, and to exchange information and advice with them;
- 4.19 to make grants, subscribe or guarantee money for charitable purposes in any way connected with the purposes of the Company or calculated to further the Objects;
- 4.20 to pay out of the funds of the Company the costs charges and expenses of and incidental to the formation of the Company and its registration as a charity;
- 4.21 to apply any part of the capital or income of the Company on such terms as may be thought fit, in its absolute discretion;

- 4.22 to pay the premium of any indemnity insurance:
- 4.22.1 to cover the liability of the Directors which by virtue of any rule of law attaches to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in respect of the Company and all costs charges and expenses which may be incurred by them in contesting any such liability or alleged liability. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard of whether it was a breach of trust or a breach of duty or not; and
  - 4.22.2 for its officers as security for and against all such risks incurred in the performance of their duties as may be thought fit.
- 4.23 to do all such other lawful things as are necessary or conducive to the attainment of the Objects or any of them, whether in collaboration with any person, body, institution or authority or otherwise.
- 5 The income and property of the Company shall be applied solely towards the promotion of the Objects, and no part thereof shall be paid or transferred directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to the members of the Company, and no Director shall receive any salary or fee or remuneration or other benefit in money or money's worth from the Company:
- Provided that nothing herein shall prevent the payment in good faith by the Company of:
- 5.1 reasonable and proper remuneration or pensions to any member (whether a statutory member or otherwise), officer or servant of the Company not being a Director, in return for any services actually rendered to the Company, or
  - 5.2 reasonable and proper professional charges to any member (whether a statutory member or otherwise) of the Company or a Director or any partner or employee of his or hers for any professional services rendered to the Company: Provided that at no time shall a majority of the Directors benefit under this provision and that a Director shall withdraw from any meeting at which his or her appointment or remuneration or that of his or her partner is under discussion, or
  - 5.3 interest at a reasonable and proper rate on money lent to the Company by any member (whether a statutory member or otherwise) of the Company or by any Director, or
  - 5.4 reasonable and proper rent for premises demised or let to the Company by any member (whether a statutory member or otherwise) of the Company or by any Director, or
  - 5.5 reimbursement of reasonable out-of-pocket expenses actually incurred by any Director, committee member, officer or servant of the Company in or about the affairs of the Company, or
  - 5.6 fees, remuneration or other benefit in money or money's worth to any company of which any member of the Company (whether a statutory member or otherwise) or any Director may also be a member holding not more than 1% of the issued share capital of that company, or
  - 5.7 indemnity insurance premiums in accordance with the terms of Clause 4.22 hereof, or
  - 5.8 benefits given, or bursaries or grants to be paid, to the members of the Company (whether statutory members or otherwise) in furtherance of the Objects PROVIDED THAT no Director shall benefit personally under this sub clause.
- 6 The liability of the statutory members is limited.

- 7 Every statutory member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he or she is a statutory member, or within one year after he or she ceases to be a statutory member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a statutory member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.00.
- 8 If upon the winding up or dissolution of the Company there remains, after 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 (whether statutory or otherwise), but shall be given or transferred to such other charity or charities which prohibit(s) the distribution of its or their income and property to an extent at least as great as is imposed upon the Company by Clause 5 above and having objects identical with or similar to the Objects, as the statutory members of the Company shall resolve at or before the time of dissolution and if that cannot be done to some other charitable object or objects.

**The Companies Acts 1985 to 2006**  
**COMPANY LIMITED BY GUARANTEE AND**  
**NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION**

of

**THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS**  
**(as adopted by special resolution passed on 23<sup>rd</sup> April 2009**

**INTERPRETATION**

- 1 In these Articles, unless there is something in the subject or context inconsistent therewith, the following words or expressions shall have the meanings set out respectively below them:

**“Act”**

The Companies Act 1985 as amended by the Companies Act 1989 and any statutory modification thereof or addition thereto from time to time

**“2006 Act”**

The Companies Act 2006 and any statutory modification thereof or addition thereto from time to time

**”Articles”**

These Articles of Association of the Company

**“Auditors”**

The auditors for the time being appointed by the Company

**“Board”**

The Board of Directors for the time being of the Company (and the **“Director”** has a corresponding meaning)

**“Chairman”**

The persons appointed as chairman of the Company from time to time in accordance with Article 60

**“Charities Legislation”**

The Charities Acts 1992, 1993 and 2006, the Charities (Accounts and Reports) Regulations 1995, and any statutory modification thereof or addition thereto from time to time

**“Clear days”**

In relation to a period of notice means the period excluding the day on which 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

**“Company”**

The above-named Company

**“In writing”**

Written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in a visible form

**“Member”**

A statutory member of the Company as further described in the rules of the Company entitled 'Membership Rules', made pursuant to Article 76 of these Articles, and

**“Membership”** shall have a corresponding meaning

**“Memorandum”**

The Memorandum of Association of the Company

**“Month”**

Calendar month

**“Office”**

The registered office of the Company

**“Register of Members”**

The register of statutory members of the Company maintained by the Company in accordance with the Act

**“Secretary”**

The persons appointed from time to time to act as the company secretary of the Company in accordance with Article 62

**“SORP”**

The Statement of Recommended Practice issued by the Charity Commission and any modification or replacement thereof from time to time

**“Statutes”**

The Act, the 2006 Act and every other statute or statutory instrument, law or regulation for the time being in force concerning companies and affecting the Company

**“Table C”**

Companies (Tables A to F) Regulations 1985 as amended by SI 2007/2541 and SI 2007/2826: Table C – Regulations for management of a company limited by guarantee and not having a share capital

### **“United Kingdom”**

Great Britain and Northern Ireland

- 1.1 Words importing the singular number only shall include the plural number, and vice versa. Words importing the masculine gender only shall include the feminine gender, and words importing persons shall include corporations.
- 1.2 Subject as aforesaid, any words or expressions defined in the Act or any statutory modification thereof in force at the date on which the Articles become binding on the Company shall, if not inconsistent with the subject or context, bear the same meanings in the Articles.
- 1.3 Table C shall not apply to the Company.

### **MEMBERS**

- 2 Every Member shall or, being a corporation, shall procure that its duly authorised representative shall either sign a written consent to become a Member or sign the Register of Members on becoming a Member.
- 3 Where any organisation is not a legal entity and therefore is not entitled to be a Member in its own right, a nominee shall be appointed, by that organisation, to the Membership for and on behalf of such organisation PROVIDED THAT such organisation informs the Board promptly in writing of the appointment of, and the details of, such nominee and informs the Board in writing of its wish to nominate another individual in such nominee's place. For the purposes of this Article, any issue as to whether a person is or is not entitled to be a Member as a nominee or an organisation is entitled to appoint a nominee, is at the Board's absolute discretion. Without prejudice to Article 4, the Board shall register the Membership of an organisation in the name of its nominee where the Board has determined that such organisation is so entitled.
- 4 No person shall be admitted as a Member unless his application is first approved by the Board which shall have absolute discretion as to the admission of any person as a Member. For the avoidance of doubt, any Director who is an authorised representative of a corporate Member (or a nominee on behalf of an organisation as referred to in Article 3 above), shall not be eligible to be a Member in his or her own right. This does not prevent a Director who is not an authorised representative of a corporate Member (or nominee of an organisation referred to in Article 3 above) from being a Member in his own right. For the purposes of this Article, any such issue as to a person's eligibility to be a Member is at the Board's absolute discretion.
- 5 A person shall forthwith cease to be a Member (PROVIDED ALWAYS THAT at least one Member remains on the Register of Members thereafter):
  - 5.1 if he is removed by notice in writing to the Company signed by a majority of the remaining Members, or
  - 5.2 if by notice in writing to the Company he resigns his Membership, or
  - 5.3 if in the case of the individual, he dies, becomes bankrupt or makes any arrangement or composition with his creditors generally, or the Member being a corporation (or the nominee of any unincorporated organisation), an order is made or resolution is passed for

- the winding up or administration of the corporation or unincorporated organisation in question, or it has a receiver appointed over all or some part of its assets; or
- 5.4 if in the case of an individual, he becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs; or
- 5.5 if in the case of an individual, he ceases to hold office as a director by reason of any order made under the Company Directors Disqualification Act 1986, or by virtue of any provision of the Charities Legislation; or
- 5.6 if, being a Director, he is removed from office as a Director by a resolution duly passed pursuant to Section 168 of the 2006 Act; or
- 5.7 if in the opinion of the Board a Member has failed to comply with the Membership Rules applicable to them; or
- 5.8 if he is removed by notice in writing to the Company of a resolution of the Board to that effect.
- 5.9 if he is the nominee of an unincorporated organisation as referred to in Article 3 and that organisation with the express consent of the Board nominates another nominee in his place.
- 6 Membership of the Company is not transferable.

## **GENERAL MEETINGS**

- 7 The Company shall hold a general meeting in every calendar year as its 'Annual General Meeting' at such time and place as may be determined by the Board, and shall specify the meeting as such in the notices calling it, PROVIDED THAT every Annual General Meeting shall be held not more than fifteen months after the holding of the last preceding Annual General Meeting.
- 8 All general meetings, other than Annual General Meetings, shall be called 'Extraordinary General Meetings'.
- 9 The Board may whenever they think fit convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on the requisition of the Members pursuant to the provisions of the 2006 Act.
- 10 At least fourteen clear days' notice in writing of every general meeting, specifying the place, the day and the hour of meeting, and in the case of special business the general nature of that business, shall be given to such persons (including the Auditors (if any)) as are under these Articles or under the 2006 Act entitled to receive such notices from the Company, but with the consent of Members having at least 90% of the voting rights at the meeting intended to be convened and having the right to attend and vote thereat, a meeting may be convened by such notice as those Members may think fit.
- 11 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice thereof shall not invalidate any resolutions passed, or proceeding had, at that meeting.

## **PROCEEDINGS AT GENERAL MEETINGS**

- 12 All business shall be deemed special that is transacted at an Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of the consideration of the accounts and the reports of the Board and of the Auditors (if any), and the appointment of, and the fixing of the remuneration of, the Auditors (if any).

- 13 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Save as herein otherwise provided, six persons entitled to vote upon the business to be transacted, each being a Member, a proxy for a Member or a duly authorised representative of a Member, shall be a quorum.
- 14 If within half an hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of the Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Board may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the Members present shall be a quorum.
- 15 The Chairman shall preside as chairman at every general meeting at which he shall be present, but if he is not present within fifteen minutes after the time appointed for holding a meeting, or is unwilling to preside, the Members present (whether in person, by proxy or by an authorised representative) shall choose some Member or its duly authorised representative, in either case who shall be present, to preside at that meeting.
- 16 The chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as aforesaid, the Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.
- 17 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the chairman of the meeting or by any Member or Members present in each case in person or by proxy or by its duly authorised representative, and representing not less than one tenth of the total voting rights of all the Members having the right to vote at the meeting. Unless a poll be so demanded a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minute book of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn, before the poll is taken.
- 18 Subject to the provisions of Article 17, if a poll be demanded in manner aforesaid, it shall be taken at such time and place, and in such manner, as the chairman of the meeting shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 19 No poll shall be demanded on the election of a chairman of a meeting, or on any question of adjournment.
- 20 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a second or casting vote.
- 21 The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

## **VOTES OF MEMBERS**

- 22 Subject as hereinafter provided, every Member shall have one vote.
- 23 Save as herein expressly provided, no person other than a Member duly registered or being a corporation, its duly authorised representative, who has paid all moneys then due

to the Company, shall be entitled to vote on any question either personally or by proxy at any general meeting.

- 24 Votes may be given on a poll and on a show of hands either personally or by proxy.
- 25 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy thereof may:
- 25.1 In the case of an instrument in writing be deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
- 25.2 In the case of an appointment contained in an electronic communication where an address has been specified for the purpose of receiving electronic communications:
- 25.2.1 in the notice convening the meeting; or
- 25.2.2 in any instrument of proxy sent out by the Company in relation to the meeting; or
- 25.2.3 in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting,

be received at such address not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. In this Article, "address" in relation to electronic communications, includes any number or address used for the purposes of such communications. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

- 26 No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
- 27 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or revocation of the proxy or of the authority under which the proxy was executed, PROVIDED THAT no intimation in writing of the death, insanity or revocation as aforesaid shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 28 Any organisation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of such organisation as the organisation could exercise if it were an individual Member and such organisation shall for the purpose of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.
- 29 Any instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit:
- "I/We [insert name] of [insert address]
- being a statutory member of The Association of Sail Training Organisations
- hereby appoint [insert name] of [insert address]
- and failing him/her, [insert name] of [insert address]

to vote for me/us and on my/our behalf at the  
[Annual] [Extraordinary] [adjourned] General Meeting of the  
Company to be held on the [ ] day of [ ]  
and at every adjournment thereof.

As witness my hand/the hand of our duly

appointed representative

this [ ] day of [ ] 20[ ].”

- 30 The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 31 A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a General Meeting at which he/it was present shall be as effectual as if it had been passed at a General Meeting duly convened and held and may consist of several instruments in like form each executed by or on behalf of one or more Members.

## **THE BOARD**

- 32 The Board shall consist of not less than five but (unless otherwise determined by ordinary resolution of the Company) not more than fifteen persons appointed from time to time as provided subsequently in the Articles.

## **POWERS OF THE BOARD**

- 33 The business of the Company shall be managed by the Board who may exercise all such powers of the Company, and do on behalf of the Company all such acts as may be exercised and done by the Company, and as are not by statute or by the Articles required to be exercised or done by the Company in General Meeting, subject nevertheless to:
- 33.1 the provisions of the Articles;
- 33.2 the provisions of the Statutes;
- 33.3 such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in general meeting PROVIDED THAT no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made; and
- 33.4 the requirement that the Board does not do or permit any act or omission which would prejudice the charitable status of the Company in law.
- 34 The Board for the time being may act notwithstanding any vacancy in their number but, 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.
- 35 In addition and without prejudice to any other powers hereby or by law conferred on the Board, the Board may from time to time and for such period and to such extent and generally on such terms as the Board shall think fit delegate to any Director or Directors and/or any employee of the Company employed in or in connection with the management, administration, organisation and conduct of the affairs of the Company any powers and duties of the Board as may be reasonable SAVE THAT the Board must report back to the Company in general meeting as to the delegation of such powers and duties.

- 36 The Board may appoint as the investment manager for the Company a person who they are satisfied after inquiry is a proper and competent person to act in that capacity and who is an authorised or an exempted person within the meaning of the Financial Services and Markets Act 2000 otherwise than exempted by virtue of paragraphs 44 and 45 of the Financial Services and Markets Act 2000 (Exemption) Order 2001. The Board may delegate to an investment manager so appointed power at his discretion to buy and sell investments for the Company in accordance with the investment policy laid down by the Board from time to time PROVIDED THAT where the Board make any such delegation they shall:
- 36.1 inform the investment manager in writing of the extent of the Company's investment powers and the terms of the delegation;
- 36.2 lay down a detailed investment policy for the Company and immediately inform the investment manager in writing of it and of any changes to it;
- 36.3 ensure that they are kept informed of, and review on a regular basis, the performance of their investment portfolio managed by the investment manager and on the exercise by him of his delegated authority;
- 36.4 take all reasonable care to ensure that the investment manager complies with the terms of the delegated authority; and
- 36.5 pay such reasonable and proper remuneration to the investment manager and agree such proper terms as to notice and other matters as the Board shall decide PROVIDED THAT such remuneration may include commission fees and/or expenses earned by the investment manager if and only to the extent that such commission fees and/or expenses are disclosed to the Board.
- 37 The Board may:
- 37.1 make such arrangements as they think fit for any investments of the Company or income from those investments to be held by a corporate body as the Company's nominee; and
- 37.2 pay reasonable and proper remuneration to any corporate body acting as the Company's nominee in pursuance of this clause.
- 38 Each Director may be repaid out of the funds of the Company such reasonable out-of-pocket expenses as the Board shall from time to time determine in respect of his or her attendance at meetings of the Board or on behalf of the affairs of the Company but save as aforesaid in the Articles and in Clause 5 of the Memorandum, no Member nor any Director shall receive any remuneration from the Company.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 39 Irrespective of the fact that any Directors may have retired since the last Annual General Meeting, at every 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, shall retire from office.
- 40 Subject to the provisions of the Statutes, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 41 If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy, the retiring Director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Director is put to the meeting and lost.

- 42 No person other than a Director retiring by rotation shall be appointed or reappointed a Director at any general meeting unless:
- 42.1 he is recommended by the Directors; or
- 42.2 not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a Member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Company's Register of Directors together with a notice executed by that person of his willingness to be appointed or reappointed.
- 43 No person may be appointed as a Director:
- 43.1 unless he has attained the age of 18 years; or
- 43.2 in circumstances such that, had he already been a Director, he would have been disqualified from acting under the provisions of Article 49.
- 44 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a General Meeting notice shall be given to all persons who are entitled to receive notice of the meeting of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Directors for appointment or reappointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Company's Register of Directors.
- 45 Subject as otherwise provided in the Articles, the Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director and may also determine the rotation in which any additional Directors are to retire.
- 46 The Directors may appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director PROVIDED THAT the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following Annual General Meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting. If not reappointed at such Annual General Meeting, he shall vacate office at the conclusion thereof.
- 47 Subject as otherwise provided in the Articles, a Director who retires at an Annual General Meeting may, if willing to act, be reappointed.
- 48 Subject to Article 20, a Director shall be entitled to attend and speak at any general meeting but not to vote thereat.

#### **DISQUALIFICATION OF DIRECTORS**

- 49 The office of Director shall be vacated:
- 49.1 if by notice in writing to the Company he resigns from the Board (but only if at least two Directors remain in office when the notice of resignation is to take effect); or
- 49.2 if he is removed by notice in writing to the Company signed by a majority of the Members; or

- 49.3 if he ceases to hold office by reason of any order made under the Company Directors Disqualification Act 1986, or by virtue of any provision of the Charities Legislation; or
- 49.4 if he is removed from office by a resolution duly passed pursuant to Section 168 of the 2006 Act; or
- 49.5 if he is absent from three consecutive meetings of the Board without the consent of the Chairman; or
- 49.6 if he becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs; or
- 49.7 if he is convicted of any criminal offence other than any minor offence that cannot reasonably damage the reputation of the Company, unless in any case the Board otherwise resolves; or
- 49.8 if he becomes bankrupt or makes any arrangement or composition with his creditors, and the Board resolves that he should be disqualified as a Director.

### **PROCEEDINGS OF THE BOARD**

- 50 The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit, and determine the quorum necessary for the transaction of business, PROVIDED THAT such meetings are held at least twice during every year. Unless otherwise determined, three Directors shall be a quorum. Questions arising at any meeting shall be decided by a majority of votes. In cases of equality of votes the chairman of the meeting shall have a second or casting vote.
- 51 The Chairman or two Directors may, and on the request of the Chairman or such Directors the Secretary shall, at any time, summon a meeting of the Board by notice served upon all Directors. A Director who is absent from the United Kingdom shall not be entitled to notice of a meeting.
- 52 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under the regulations of the Company for the time being vested in the Board generally.
- 53 The Board may delegate any of their powers to committees consisting of such Director or Directors and others as they think fit, and any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board. The meetings and proceedings of any such committee shall be governed by the provisions of the Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the Board.
- 54 All acts bona fide done by any meeting of the Board or of any committee of the Board, or by any person acting as a committee member, shall, notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any such person or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director or member of the committee as the case may be.
- 55 The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Company and of the Board and of committees of the Board, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the chairman of such meeting, or by the chairman of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.

- 56 A resolution in writing signed by all the Directors or by all the members for the time being of any committee of the Board who are entitled to receive notice of a meeting of the Board or of such committee shall be as valid and effectual as if it had been passed at a meeting of the Board or of such committee duly convened and constituted. Any such written instrument may be in several parts each signed by one or more Directors or members of the committee as the case may be.
- 57 Any person entitled to be present at a meeting of the Directors or member of a committee of the Directors may participate in a meeting of the Directors or such committee by means of a conference telephone or other facility whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting. Such a meeting shall be deemed to take place where it is convened to be held or (if no member is present in that place) where the largest group of those participating is assembled, or if there is no such group, where the chairman of the meeting is. The word "meeting" in these Articles shall be construed accordingly.
- 58 Any bank account in which any part of the assets of the Company is deposited shall be operated by or with the authority of the Directors and shall indicate the name of the Company.
- 59 If a conflict of interest 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 Memorandum or the Articles, the unconflicted Directors may authorise such a conflict of interest where the following conditions apply:
- 59.1 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;
- 59.2 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;
- 59.3 the unconflicted Directors consider it is in the interests of the Company to authorise the conflict of interest in the circumstances applying.

#### **CHAIRMAN**

- 60 The Chairman shall be appointed by the Members from the Board for a period of up to three years and, upon expiry of such period, shall be eligible for re-appointment upon the same terms PROVIDED THAT the Chairman shall cease to hold such appointment forthwith upon ceasing to be a Director.
- 61 The Chairman shall preside as chairman at all meetings of the Board at which he shall be present, but if he is not present within fifteen minutes after the time appointed for holding a meeting or is unwilling to preside, the members of the Board present shall choose one of their number to preside at that meeting.

#### **SECRETARY**

- 62 A Secretary may be appointed by the Board for such time, at such remuneration (if not a Director) and upon such conditions as the Board may think fit, and any Secretary so appointed may be removed by the Board. The Board may from time to time by resolution appoint an assistant or deputy Secretary, and any person so appointed may act in place of the Secretary if there be no Secretary or no Secretary capable of acting.

#### **ACCOUNTS**

- 63 The Board shall cause proper and adequate books of account to be kept to enable accounts to be prepared which comply with the relevant provisions of the Act, the 2006

Act, the Charities Legislation and the SORP. Proper and adequate books shall not be deemed to be kept and/or deemed sufficient if there are not kept such books of account as are necessary to give a true and fair view of the state of the affairs of the Company, to show and explain its transactions and to disclose with reasonable accuracy at any time, the financial position of the Company at any given time.

- 64 The books of account shall be kept at the Office, or, subject to Section 388 of the 2006 Act, at such other place or places as the Board shall think fit and shall always be open to the inspection of the Board or any Director.
- 65 At the Annual General meeting in every year, the Board shall lay before the Company accounts including an income and expenditure account for the period since the last preceding account (or in the case of the first accounts since the incorporation of the Company) made up to a date not more than twelve months before such meeting, together with a balance sheet made up as at the same date. Such accounts shall be accompanied by reports of the Board and the Auditors. Copies of such accounts and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and of any other documents required by law to be annexed or attaching thereto or to accompany the same shall not less than twenty-one clear days before the date of the meeting, subject nevertheless to the provisions of the 2006 Act, be sent to the Auditors and to all other persons entitled to receive notices of general meetings in the manner in which notices are hereinafter directed to be served. The Auditors' report shall be open to inspection and be laid before the meeting as required by the 2006 Act.

## **AUDIT**

- 66 Once at least in every year: (i) the accounts of the Company shall be examined and reported upon either by the Auditors or, if no Auditors be appointed, by a reporting accountant if so required by the Statutes and Charities Legislation; (ii) the appointment or re-appointment (as appropriate) of the Auditors shall be determined by the Company; and (iii) the Auditors' or reporting accountants (if any) remuneration shall either be determined by the Company or such determination shall be delegated to the Board.
- 67 The Auditors shall be one or more properly qualified auditor(s) not being members of the Board and their duties shall be regulated in accordance with the Statutes and the Charities Legislation and the SORP.

## **NOTICES**

- 68 Any notice to be sent to or by any person pursuant to these Articles including a notice calling a meeting of the Board shall be in writing and may be delivered or sent by post or using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this Article "address" in relation to electronic communications, includes any number or address used for the purpose of such communications.
- 69 Save as otherwise provided by the Act or the 2006 Act (whichever relevant provision is in force from time to time), only those Members who are described in the Register of Members by an address within the United Kingdom shall be entitled to receive notices from the Company PROVIDED THAT any Member described in the Register of Members by an address not within the United Kingdom, who shall from time to time give the Company an address within the United Kingdom at which notices may be served upon him, shall be entitled to have notices served upon him at such address.
- 70 The Company may send any notice, document or other information to Members by making them available on the Company's website (if applicable) PROVIDED THAT:

- 70.1 each Member has been asked individually by the Company to agree to communication via the Company's website (either generally or in relation to a specific notice, document or information);
- 70.2 the Company's request states clearly that if the Member fails to respond to the request within twenty-eight days of the date on which the request is sent, s/he will be deemed to have given such consent; and
- 70.3 the Company's request is not sent less than twelve months after a previous request made to the Member in relation to a similar class of documents.
- 71 The Company must notify each Member who has agreed to receive communications through the Company's website of the presence of the information on the website, the website address, the place on the website where the information can be found and how to access the information.
- 72 Any notice, document or information posted on the Company's website must be in a form that the Member can read and take a copy of.
- 73 The notice, document or information must be available on the Company's website for either twenty-eight days from the date the notification was sent to the Member or for such other period as may from time to time be specified in the 2006 Act.
- 74 Any notice, if served by post, shall be deemed to have been served on the second day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed, prepaid and posted. A notice or other document sent by facsimile or contained in an electronic communication shall be deemed to have been delivered 48 hours following that on which the communication was sent and electronic confirmation of receipt shall be conclusive evidence that a notice was given to a facsimile number or email address. If a notice, document or information posted on the Company's website was already on the Company's website at the time the notice pursuant to Article 71 was sent to the Member, it will be deemed to have been sent on the day the notice was sent but if the notice, document or information was not on the Company's website on the date the said notice was sent then it will be deemed to have been sent on the day on which it appears on the website.

## **INDEMNITY**

- 75 Subject to the provisions of the Act, the 2006 Act and so far as may be consistent with the Statutes:
- 75.1 every member of the Board may be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the actual or purported exercise of his powers and/or otherwise in relation to, or in connection with, his duties, powers or offices, in each case to the extent permitted by Section 232 of the 2006 Act; and
- 75.2 every other officer of the Company (excluding the Auditor) may be indemnified out of the assets of the Company against any liability incurred by him in that capacity; and
- 75.3 the Company shall also provide funds to any Director or any other officer (other than the Auditors) or do anything to enable a Director or such other officer to avoid incurring expenditure, in each case in the manner permitted by and subject to the restrictions required by Section 205 of the 2006 Act.

## **RULES**

76

- 76.1 The Board may from time to time make such rules or bye laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes of and conditions of membership (whether statutory membership or otherwise).
- 76.2 The Company in general meeting shall have power to alter, add to or repeal the rules or bye laws and the Board shall adopt such means as it thinks sufficient to bring to the notice of the Members all such rules or bye laws, which shall be binding on all Members PROVIDED THAT that no rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or the Articles.

## **ALTERATIONS**

- 77 No alterations shall be made to the Articles except by a resolution put to a general meeting of the Company by the Board (a simple majority of whom at a duly convened Board meeting shall decide to put such resolution to a General Meeting) and passed at such general meeting by three-quarters of those present and voting at such general meeting PROVIDED THAT no alteration shall be made which shall have the effect of the Company ceasing to be a charity.

## **DISSOLUTION**

- 78 Clauses 6, 7 and 8 of the Memorandum relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.