

COMPANY NUMBER: 01802908
CHARITY NUMBER: 515473

ARTICLES OF ASSOCIATION

OF

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
(PRIVATE COMPANY LIMITED BY GUARANTEE)
(THE 'CHARITY')

Registered Address:

Unit 3
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PART 1: INTERPRETATION, OBJECTS, POWERS, INCOME, LIMITATION OF LIABILITY & WINDING UP

Defined terms

1. DEFINED TERMS

1.1 In the articles, unless the context requires otherwise—

“Articles” means the Charity’s articles of association;

“Bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“Chairman” has the meaning given in Article 22;

“Chairman of the meeting” has the meaning given in article 29;

“Companies Acts” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Charity;

“Conflict” means a situation in which a Director has or can have a direct or indirect interest that conflicts or possibly may conflict with the interests of the Charity. The following are not to be regarded as giving rise to a conflict:

(a) A guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Charity;

(b) Arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Charity which do not provide special benefits for Directors or former Directors;

“Director” means a director of the Charity, and includes any person occupying the position of director, by whatever name called;

“document” includes, unless otherwise specified, any document sent or supplied in electronic form;

“electronic form” has the meaning given in section 1168 of the Companies Act 2006;

“Member” has the meaning given in section 112 of the Companies Act 2006;

“Objects”: has the meaning given in Article 2;

“Ordinary Resolution” has the meaning given in section 282 of the Companies Act 2006;

“participate”, in relation to a Directors’ meeting, has the meaning given in Article 20;

“Powers” has the meaning given in Article 3, together with appendix 1

“proxy notice” has the meaning given in Article 34;

“Special Resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the Charity.

2. OBJECTS

2.1 The Objects of the Charity are restricted specifically to:

2.1.1 The promotion and advance of the education and training of the public including the long term unemployed to acquire vocational qualifications and work related skills as required by local employers and industries and to meet national government targets by means of both instructor led and self study courses and the provision of practical experience.

2.1.2 The relief of unemployment for the public benefit in such a way as may be thought fit, including assistance to find employment.

3. POWERS

3.1 In pursuance of the Objects, and for that purpose only, the Charity has the power to do all such lawful things as are necessary, incidental or conducive to the pursuit, furtherance or attainment of any of those Objects. Such Powers shall include those set out in Appendix 1

4. INCOME

4.1 The income and property of the Charity shall be applied solely towards the promotion of the Objects, however:

4.1.1 A Director is entitled to be reimbursed from the property of the Charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Charity; and

- 4.1.2** A Director may benefit from trustee indemnity insurance cover purchased at the Charity's expense.
- 4.2** None of the income or property of the Charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any Member of the Charity. This does not prevent a Member who is not also a Director receiving:
- 4.2.1** A benefit from the Charity in the capacity of a beneficiary of the Charity; or
- 4.2.2** Reasonable and proper remuneration for any goods or services supplied to the Charity.
- 4.3** Otherwise than in the normal course of business trading, or in the capacity of a beneficiary of the Charity, no Director may:
- 4.3.1** buy any goods or services from the Charity;
- 4.3.2** sell goods, services or any interest in land to the Charity; or
- 4.3.3** receive any other financial benefit from the Charity.
- unless the payment is permitted by Article 4.4 and the Directors follow the procedure and observe the conditions set out in Article 4.5 or the Director obtain the prior written approval of the Commission and fully comply with any procedure it prescribes.
- 4.4** The following are permitted forms of payment as per Article 4.3:
- 4.4.1** A Director may receive a benefit from the Charity in the capacity of a beneficiary of the charity;
- 4.4.2** A Director may be employed by the Charity or enter into a contract for the supply of goods or services to the Charity, other than for acting as a Director;
- 4.4.3** A Director may receive interest on money lent to the Charity at a reasonable and proper rate not exceeding 2% per annum below the base rate of a clearing bank to be selected by the Directors;
- 4.4.4** A company of which a Director is a member may receive fees remuneration or other benefit in money or money's worth provided that the shares of the company are listed on a recognised stock exchange and the Director holds no more than 1% of the issued capital of that company;
- 4.4.5** A Director may receive rent for premises let by the Director to the Charity if the amount of the rent and the other terms of the lease are reasonable and proper.
- 4.5** The Charity and its Directors may only rely upon the authority provided by Article 4.4 if each of the following conditions is satisfied:

- 4.5.1** The remuneration or other sums paid to the Director do not exceed an amount that is reasonable in all the circumstances.
- 4.5.2** The Director is absent from the part of any meeting at which there is discussion of their remuneration, or any matter concerning their contract; or their performance of the contract; or any proposal to enter into any other contract or arrangement with him or her to confer any benefit upon him or her that would be permitted under Article 4.4; or any other relating to a payment or the conferring of any benefit permitted by Article 4.4
- 4.5.3** The Director does not vote on any such matter and is not to be counted when calculating whether a quorum of Directors is presented at the meeting.
- 4.5.4** The other Directors are satisfied that it is in the interests of the Charity to employ or to contract with that Director rather than with someone who is not a Director. In reaching that decision the Directors must balance the advantage of employing a Director against the disadvantages of doing so (especially if the loss of the Director's services as a result of dealing with the Director's conflict of interest).
- 4.5.5** The reason for their decision in the minutes of the meeting
- 4.5.6** A majority of the Directors then in office have received no such payments.
- 4.6** For the purposes of Article 4.5, the employment or remuneration of a Director includes the engagement or remuneration of any firm or company in which the Director is:
 - 4.6.1** A partner;
 - 4.6.2** An employee;
 - 4.6.3** A consultant;
 - 4.6.4** A director; or
 - 4.6.5** A shareholder, unless the shares of the company are listed on a recognized stock exchange and the Director holds no less than 1% of the issued capital.
- 4.7** In Articles 4.1 – 4.6, 'Director' shall include any child, parent, grandchild, grandparent, brother, sister or spouse of the Director or any person living with the Director as his or her partner.

5. LIABILITY OF MEMBERS

- 5.1** The liability of the Members is limited.
- 5.2** Every Member promises, if the Charity is dissolved while he or she is a member or within twelve months after he or she ceases to be a Member, to contribute such sum (not exceeding £10) as may be demanded of him or her towards the payment of

the debts and liabilities of the Charity incurred before he or she ceased to be a member, and of the costs, charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves.

6. WINDING UP

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

6.1.1 Directly for furtherance of the objects;

6.1.2 By transfer to any charity or charities for purposes similar to the Objects; or

6.1.3 To any charity or charities for use for particular purposes that fall within the objects.

6.2 In no circumstances shall the net assets of the Charity be paid to or distributed among the members of the Charity (except to a member that is itself a charity) and if no such resolution is passed by the Members or the Directors the net assets of the Charity shall be applied for charitable purposes as directed by the court or the Commission.

PART 2: MEMBERS AND MEMBERSHIP.

7. MEMBERS

7.1 No natural or legal person shall become a Member of the Charity unless:

7.1.1 that person has completed an application for membership in a form approved by the Directors, and

7.1.2 the Directors have approved the application.

7.2 Membership is not transferable.

7.3 The Directors shall keep a register of names and addresses of the Members, together with the date upon which they became, or ceased to be, a Member.

8. TERMINATION OF MEMBERSHIP

8.1 A Member may withdraw from membership of the Charity by giving 7 days' notice to the Charity in writing, unless the resignation would cause there to be fewer than two Members;

8.2 A Member of the Charity will immediately cease to be a Member in the following circumstances:

- 8.2.1** Upon the death of the Member or, in the case of a legal person Member, when that Member ceases to exist.
- 8.2.2** Where any sum owed by the Member to the Charity is not paid in full within 6 months of the amount falling due.
- 8.3** A Member may also have their membership terminated by a resolution of the Directors where, in the reasonable belief of the Directors, their continued membership is not in the best interests of the Charity. A resolution to remove a member from membership may only be passed if:
- 8.3.1** The Member has been given at least fourteen days' notice in writing of the meeting of the Directors at which the resolution will be proposed and the reasons why it is to be proposed;
- 8.3.2** The Member or, at the option of the member, the Member's representative has been allowed to make representations to the meeting.

PART 3: DIRECTORS – APPOINTMENT, TERMINATION, POWERS AND RESPONSIBILITIES.

9. NUMBER OF DIRECTORS

- 9.1** Unless otherwise determined by Ordinary Resolution, the number of Directors shall be not less than 2.
- 9.2** A Director may not appoint an alternate director or anyone to act on their behalf at meetings of the Directors.

10. APPOINTMENT OF DIRECTORS

- 10.1** Any natural person aged 18 years or older and in good standing, as determined and approved by the Directors at their absolute discretion, who is willing to act as a Director and is permitted by law to do so, may be appointed to be a Director:
- 10.1.1** by Ordinary Resolution; or
- 10.1.2** by a resolution of the Directors.
- 10.2** In any case where, as a result of death, the Charity has no Members and no directors, the personal representatives of the last Member to have died have the right, by notice in writing, to appoint a person to be a Director.
- 10.3** For the purpose of Article 10.2, where two or more Members die in circumstances rendering uncertain who was the last to die, a younger Member is deemed to have survived an older Member.

11. TERMINATION OF DIRECTOR'S APPOINTMENT

11.1 A person ceases to be a Director as soon as:

11.1.1 that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;

11.1.2 a Bankruptcy order is made against that person;

11.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;

11.1.4 a registered medical practitioner who is treating that person gives a written opinion to the Charity stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;

11.1.5 notification is received by the Charity from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;

11.2 The Directors may, by a simple majority decision at a meeting, agree to terminate a Director's appointment provided that the requirements set out in Article 11.3 are met.

11.3 On receipt of notice of an intention to remove a Director from one or more of the other Directors, the Charity must provide written notice to the Director concerned which states:

11.3.1 that the Director's term of appointment is intended to be terminated prematurely;

11.3.2 the reasons for the proposed removal;

11.3.3 when and where the decision is to be made, which should be no less than 14 days from the date that notice is provided to the Director concerned;

11.3.4 that the Director concerned is entitled to make oral and/or written representations at the meeting to protest against the termination; and

11.3.5 the deadline and process for submitting any such written representations in advance of the meeting which should be no less than 7 days from the date that notice is provided to the Director concerned

12. DIRECTORS' REMUNERATION

12.1 The Directors shall not be entitled to receive any remuneration from the Charity except where permitted by Article 4.

13. DIRECTORS GENERAL AUTHORITY

- 13.1** Subject to the Articles, the Directors are responsible for the management of the Charity's business in accordance with its Objects, for which purpose they may exercise all the Powers of the Charity.

14. DIRECTORS MAY DELEGATE

- 14.1** Subject to the Articles, the Directors may delegate any of the Powers which are conferred on them under the Articles:

14.1.1 to such Director or committee including at least one Director;

14.1.2 by such means (including by power of attorney);

14.1.3 to such an extent;

14.1.4 in relation to such matters or territories; and

14.1.5 on such terms and conditions;

as they think fit.

- 14.2** If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

- 14.3** The Directors may revoke any delegation in whole or in part, or alter its terms and conditions.

15. COMMITTEES

- 15.1** Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.

- 15.2** The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

PART 4: DECISION-MAKING BY DIRECTORS

16. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 16.1** The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 17.

17. UNANIMOUS DECISIONS

- 17.1** A decision of the Directors is taken in accordance with this Article when all Directors eligible to vote on a matter indicate to each other by any means that they share a common view on a matter.

17.2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each Director eligible to vote or to which each Director eligible to vote has otherwise indicated agreement in writing.

17.3 A decision may not be taken in accordance with this article if the Directors eligible to vote would not have formed a quorum at such a meeting.

18. CALLING A DIRECTORS' MEETING

18.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Charity secretary (if any) to give such notice.

18.2 Notice of any Directors' meeting must indicate:

18.2.1 its proposed date and time;

18.2.2 where it is to take place, or if via an online / electronic facility, the joining instructions for that facility; and

18.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

18.3 Notice of a Directors' meeting must be given to each Director, but need not be in writing.

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

19. PARTICIPATION IN A DIRECTORS' MEETINGS

19.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

19.1.1 the meeting has been called and takes place in accordance with the Articles, and

19.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

19.2 Where Directors attend and participate in a meeting by way of electronic facility, each Director shall individually be responsible for maintaining adequate facilities to enable them to do so, except in circumstances where the Charity has agreed to provide equipment or facilities to enable this.

19.3 Any inability of a Director to attend or participate in a meeting by way of online facility shall not invalidate or disrupt the proceedings of that meeting, save for the need to adjourn where Article 20 is engaged.

19.4 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

19.5 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

20. QUORUM FOR DIRECTORS' MEETINGS

20.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

20.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two Directors eligible to vote on the matters to be considered in that meeting.

20.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

20.3.1 to appoint further Directors, or

20.3.2 to call a general meeting so as to enable the members to appoint further Directors.

21. CHAIRING OF DIRECTORS' MEETINGS

21.1 The Directors may appoint a Director to chair their meetings.

21.2 The person so appointed for the time being is known as the Chairman.

21.3 The Directors may terminate the Chairman's appointment at any time.

21.4 If the Chairman is not participating in a Directors' meeting within 10 minutes of the time at which it was to start, the participating Directors can appoint one of themselves to chair it.

22. CONFLICTS OF INTEREST

22.1 If a proposed decision of the Directors would create a situation of Conflict for a director, that Director (**the Interested Director**) is not to be counted as participating in the decision-making process, or eligible to vote on the relevant matters, for quorum or voting purposes.

22.2 The Directors may, in accordance with the requirements set out in this Article, authorise any Conflict proposed to them by any Director which would, if not authorised, involve a Director breaching his duty to avoid conflicts of interest under section 175 of the Act.

- 22.3** Any authorisation under this Article 22 shall be effective only if:
- 22.3.1** to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - 22.3.2** any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 22.3.3** the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 22.4** Any authorisation of a Conflict under this Article 22 may (whether at the time of giving the authorisation or subsequently):
- 22.4.1** extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 22.4.2** provide that the Interested Director be excluded from the receipt of documents and information and from participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 22.4.3** provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - 22.4.4** impose on the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 22.4.5** provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Charity) information that is confidential to a third party, he shall not be obliged to disclose that information to the Charity, or to use it in relation to the Charity's affairs where to do so would amount to a breach of that confidence; and
 - 22.4.6** permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 22.5** Where the Directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 22.6** The Directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.

22.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Charity for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Charity in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

22.8 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Charity:

22.8.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Charity or in which the Charity is otherwise (directly or indirectly) interested;

22.8.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;

22.8.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;

22.8.4 may act by himself or his firm in a professional capacity for the Charity (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

22.8.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Charity is otherwise (directly or indirectly) interested; and

22.8.6 shall not, save as he may otherwise agree, be accountable to the Charity for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

23. RECORDS OF DECISIONS TO BE KEPT

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

24. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

- 24.1** The Directors may from time to time establish such rules as they may consider necessary for or conducive to the effective operation of the Charity. In particular, but without prejudice to the generality of the above, such rules may regulate:
- (a) the admission of Members of the Charity, their rights and privileges and other conditions of membership;
 - (b) the conduct of Members in relation to one another and to the Charity's employees and volunteers; and
 - (c) the procedure at general meetings and meetings of the Directors and committees to the extent that such procedure is not regulated by the Act or by the Article.
- 24.2** The Charity in general meeting may alter, add to or repeal the rules by special resolution.
- 24.3** The rules shall be binding on all Members and no rule shall be inconsistent with or shall affect or repeal anything contained in the Articles.

PART 5: DECISION-MAKING BY MEMBERS

25. CALLING GENERAL MEETINGS

- 25.1** The Charity must hold an annual general meeting (AGM) by providing at least 14 days notice in writing of the proposed date, time and any applicable joining instructions for that meeting to all Directors and Members:
- 25.2** The Directors may call a general meeting at any time, but must provide the same notice as required for an AGM provided that a general meeting may be called by shorter notice if it is so agreed by a majority in number of the Members having a right to attend and vote at the meeting, being a majority who together hold not less than 90% of the total voting rights.
- 25.3** If:
- 25.3.1** The Charity has no Directors or fewer than two Directors, and
 - 25.3.2** the Director (if any) is unable or unwilling to appoint sufficient Directors to make up a quorum or to call a general meeting to do so,
- then two or more Members may call a general meeting or may instruct the Charity secretary (if any) to do so for the purpose of appointing one or more Directors.

26. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 26.1** A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 26.2** A person is able to exercise the right to vote at a general meeting when—
- 26.2.1** that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- 26.2.2** that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 26.3** The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 26.4** In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other.
- 26.5** Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 26.6** Directors may attend and speak at general meetings, whether or not they are Members.
- 26.7** The Chairman of the Meeting may permit other persons who are not Members of the Charity to attend and speak at a general meeting.

27. QUORUM FOR GENERAL MEETINGS

- 27.1** No business other than the appointment of the chairman of the general meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 27.2** The quorum shall, subject to article 29.6, be 20% of the Members of the Charity entitled to vote on the business to be transacted, or two Members of the Charity so entitled (whichever is the greater) present in person or by proxy.

28. CHAIRING GENERAL MEETINGS

- 28.1** If the Directors have appointed a Chairman, that Chairman shall also chair the general meeting if present and willing to do so.
- 28.2** If the Directors have not appointed a chairman of the board, or if the chairman of the board is unwilling to chair a general meeting or is not present within ten minutes of the time at which the meeting was due to start:

28.2.1 the Directors present, or

28.2.2 (if no directors are present) the meeting,

must appoint a Director or Member to chair the meeting.

28.3 The appointment of the chairman of the general meeting must be the first business of the meeting.

28.4 The person chairing a meeting in accordance with this Article is referred to as the Chairman of the Meeting.

29. ADJOURNMENT

29.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.

29.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:

29.2.1 the meeting consents to an adjournment, or

29.2.2 it appears to the Chairman of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

29.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the Members.

29.4 When adjourning a general meeting, the Chairman of the Meeting must:

29.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place fixed by the Directors, and

29.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the Members.

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

29.5.1 to the same persons to whom notice of the Charity's general meetings is required to be given, and

29.5.2 containing the same information which such notice is required to contain.

29.6 If within 30 minutes from the time appointed for the meeting a quorum is not present, or if during the meeting a quorum ceases to be present, the meeting shall

be adjourned until such other date, time and place as the Directors shall determine. If at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting, those Members present in person or by proxy and entitled to vote shall be a quorum.

30. VOTES OF MEMBERS

30.1 Subject to the Act, at any general meeting:

30.1.1 every Member who is present in person (or by proxy) shall on a show of hands have one vote; and

30.1.2 every Member who is present in person (or by proxy) shall on a poll have one vote.

31. VOTING: GENERAL

31.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

32. POLL VOTES

32.1 A poll on a resolution may be demanded:

32.1.1 in advance of the general meeting where it is to be put to the vote, or

32.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

32.2 A poll may be demanded by:

32.2.1 the Chairman of the Meeting;

32.2.2 the Directors;

32.2.3 two or more persons having the right to vote on the resolution; or

32.2.4 a person or persons representing not less than 10% of the total voting rights of all the members having the right to vote on the resolution.

32.3 A demand for a poll may be withdrawn if:

32.3.1 the poll has not yet been taken, and

32.3.2 the Chairman of the Meeting consents to the withdrawal.

32.4 Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

33. PROXIES

33.1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:

33.1.1 states the name and address of the Member appointing the proxy;

33.1.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;

33.1.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and

33.1.4 is delivered to the Charity in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

33.2 The Charity may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.

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

33.4 Unless a proxy notice indicates otherwise, it must be treated as:

33.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

33.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as to the meeting itself.

34. DELIVERY OF PROXY NOTICES

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

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

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

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

35. WRITTEN RESOLUTIONS

- 35.1** Subject to article 35.4, a written resolution of the Members passed in accordance with this **Error! Bookmark not defined.**¹⁷ shall have effect as if passed by the Members in a general meeting. A written resolution is passed:
- 35.1.1** as an ordinary resolution if it is passed by a simple majority of the eligible Members; or
- 35.1.2** as a special resolution if it is passed by Members representing not less than 75% of the eligible Members. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.
- 35.2** Where a resolution is proposed as a written resolution of the Charity, the eligible Members are the Members who would have been entitled to vote on the resolution on the Circulation Date of the resolution.
- 35.3** Any resolution of the Members for which the Act does not specify whether it is to be passed as an ordinary resolution or as a special resolution shall be passed as an ordinary resolution.
- 35.4** A Members' resolution under the Act removing a Director or an auditor before the expiration of his term of office may not be passed as a written resolution.
- 35.5** A copy of the written resolution must be sent to every Member together with a statement informing the Member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse.
- 35.6** A Member signifies their agreement to a proposed written resolution when the Charity receives from them (or from someone acting on their behalf) an authenticated document identifying the resolution to which it relates and indicating the Member's agreement to the resolution. A Member's agreement to a proposed written resolution, once signified, cannot be revoked. For these purposes:
- 35.6.1** if the document is sent to the Charity in hard copy form, it is authenticated if it bears the signature of the person sending it;
- 35.6.2** if the document is sent to the Charity in electronic form, it is authenticated if the identity of the sender is confirmed in a manner specified by the Charity or, where no such manner has been specified by the Charity, if it is accompanied by a statement of the identity of the sender and the Charity has no reason to doubt the truth of that statement.
- 35.7** A written resolution is passed when the required majority of eligible Members have signified their agreement to it. In the case of a Member that is an organisation, its authorised representative may signify its agreement.

35.8 A proposed written resolution shall lapse if it is not passed within 28 days beginning with the Circulation Date.

35.9 Communications in relation to written resolutions shall be sent to the Charity's auditors in accordance with the Act.

35.10 The Members may require the Charity to circulate a resolution that may properly be moved and is proposed to be moved as a written resolution in accordance with sections 292 and 293 of the Act.

36. AMENDMENTS TO RESOLUTIONS

36.1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:

36.1.1 notice of the proposed amendment is given to the Charity in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine), and

36.1.2 the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.

36.2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if:

36.2.1 the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

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

36.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman of the Meeting's error does not invalidate the vote on that resolution.

PART 6: ADMINISTRATIVE ARRANGEMENTS

37. MEANS OF COMMUNICATION TO BE USED

37.1 Subject to the Articles, anything sent or supplied by or to the Charity under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Charity.

37.2 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

- 37.3** A Director may agree with the Charity that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

38. INSPECTION AND COPYING OF ACCOUNTS AND OTHER RECORDS

- 38.1** In addition to, and without derogation from, any right conferred by statute, a Member shall have the right, on reasonable notice, at reasonable times and at such place as shall be convenient to the Charity, to inspect, and to be provided with a copy of, any book, minute, document or accounting record of the Charity, on payment of any reasonable charge for copying.

- 38.2** Such right shall be subject:

38.2.1 to any resolution of the Charity in general meeting; and

38.2.2 in the case of any book, minute, document or accounting record which the directors reasonably consider contains confidential material the disclosure of which would be contrary to the interests of the Charity, to the exclusion or excision of such confidential material (the fact of such exclusion or excision being disclosed to the Member) and to any other reasonable conditions that the directors may impose

39. INDEMNITY

- 39.1** Subject to paragraph 44.2, a Director of the Charity may be indemnified out of the Charity's assets against:

39.1.1 any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Charity.

39.1.2 any liability incurred by that Director in connection with the activities of the Charity in its capacity as a trustee of an occupational pension scheme (as defined in Section 235(6) of the Act).

39.1.3 any other liability incurred by that Director as an officer of Charity.

- 39.2** This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

40. INSURANCE

- 40.1** The Directors may decide to purchase and maintain insurance, at the expense of the Charity, for the benefit of any Director in respect of any relevant loss.

- 40.2** In this Article a relevant loss means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in

relation to the Charity, or any pension fund or employees' share scheme of the Charity.

APPENDIX 1

Charity powers

In addition to any other powers it may have, the Charity has the following powers in order to further the objects (but not for any other purposes):

- 1.** To raise funds. In doing so the Charity may carry out trading in line with its objects and, if necessary or in pursuit of the objects, limited amounts of other trading;
- 2.** To sell articles and food produced by the students during their education at the various centres operated by the Charity;
- 3.** To develop and maintain restaurant and training facilities for use by the students to provide training and education in the restaurant and hospitality sector. For the avoidance of doubt, such trading by the Charity shall constitute 'trading in line with its objects';
- 4.** To buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
- 5.** To sell, lease or otherwise dispose of all or any part of the property belonging to the Charity. In exercising this power, the Charity must comply as appropriate with any applicable legislation, including that applicable to Charities;
- 6.** To publish books, pamphlets, reports, leaflets, journals, films and other instructional matter and organise lectures and courses of instruction;
- 7.** To purchase or otherwise acquire or found and to carry on charitable training centres;
- 8.** To receive donations, endowments, subscriptions and legacies from persons desiring to promote the objects or any part of them and to hold funds in trust for the same;
- 9.** To raise money for the purposes of the Charity on such terms and on such security as may be thought fit;
- 10.** To establish and support or aid in the establishment and support or to amalgamate with any other charitable associations or educational institutions and to subscribe or guarantee money for charitable purposes in any way connected with the purposes of the Charity or calculated to further its objects;
- 11.** To undertake and execute any charitable trusts which may lawfully be undertaken by the Charity and may be necessary to its objects;
- 12.** To invest the moneys of the Charity not immediately required for its own purposes in or upon such investments, securities, 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 provided;
- 13.** To appoint Auditors to the Charity
- 14.** To do all such other lawful things as may be necessary for the attainment of the above objects or any of them;
- 15.** To borrow money and to charge the whole or any part of the property belonging to the Charity as security for repayment of the money borrowed. The Charity must comply as appropriate with all applicable charity legislation in this regard.
- 16.** To co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
- 17.** To establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the objects;
- 18.** To set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;

19. To employ and remunerate such staff as are necessary for carrying out the work of the Charity. The Charity may employ or remunerate a Director only to the extent it is permitted to do so by article 4 of the Articles of Association and provided it complies with the conditions in that clause;
20. To:
 - a. Deposit or invest funds
 - b. Employ a professional fund-manager; and
 - c. Arrange for the investments or other property of the Charity to be held in the name of the nominee;

In the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;
21. To provide indemnity insurance for the Directors or any other officer of the Charity in relation to any such liability as is mentioned below, but subject to any restrictions also set out below;
22. To do all such other lawful things as are necessary for the achievement of the objects;
23. To give assistance and support to short term and long term unemployed in order to improve their prospects of gaining suitable employment by means of specialist program and mentoring centres, advice coaching, telephone assistance and the provision of equipment, stationary and facilities.

The liabilities referred to in (21) above are:

1. Any liability that by virtue of any rule of law would otherwise attach to a Director of a Charity in respect of any negligence, default, breach of duty or breach of trust of which he or she may be guilty in relation to the Charity;
2. The liability to make a contributions to the Charity's assets as specified in section 214 of the Insolvency Act 1986 (wrongful trading)
3. The following liabilities are excluded from sub-clause (2)(a);
 - a. Fines;
 - b. Costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud, dishonesty or willful or reckless misconduct of the Director or such other officer
 - c. Liabilities to the Charity that result from conduct that the Director or other officer knew or must be assumed to have known was not in the best interests of the Charity or about which the person concerned did not care whether it was in the best interests of the Charity or not.
4. There is excluded from the liabilities above any liability to make such a contribution where the basis of the Director's liability is his or her knowledge prior to the insolvent liquidation of the Charity (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Charity would avoid going into insolvent liquidation.