

Charity No. 1070073

Company No. 3490480

COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

HAY FESTIVAL FOUNDATION LIMITED

(as amended by Special Resolution passed on 10 December 2021)

WEDNESDAY



A10 \*AAJWUAS0\* 22/12/2021 #35  
COMPANIES HOUSE

## 1. INTERPRETATION

- 1.1 In these Articles the words standing in the first column of the Table next hereinafter contained shall bear the meaning set opposite to them respectively in the second column thereof, if not inconsistent with the subject or context.

### DEFINITIONS

<b>The Company</b>	The Company regulated by these Articles of Association
<b>The Act</b>	The Companies Act 2006
<b>Adoption Date</b>	The date on which the Company adopts these Articles
<b>The Board</b>	The Board of Trustees for the time being
<b>Chair</b>	The Chair of the Board for the time being, appointed in accordance with Article 19.2
<b>clear day</b>	in relation to a period of notice means that period excluding the day when the notice is given or is deemed to be given and the day for which it is given or on which it is to take effect.
<b>Committee</b>	Any committee of the Board properly appointed in accordance with these Articles
<b>Eligible Trustees</b>	all Trustees who would be entitled to vote on a resolution at a Board meeting
<b>Initial Appointment Date</b>	has the meaning given to it in Article 16.2
<b>Limited Company Directors</b>	Directors of Hay Festival of Literature and the Arts Limited, a company limited by guarantee with Company Registration Number 02258780.
<b>Members</b>	The members of the Company for the purposes of company law
<b>Month</b>	Calendar month

<b>The Office</b>	The Registered Office of the Company
<b>Trustees</b>	Any person appointed as a Trustee pursuant to the terms of Article 14
<b>Vice Chair</b>	The Vice Chair of the Board for the time being, appointed in accordance with Article 19.2

- 1.2 Any words importing the singular number shall include the plural number, and vice versa.
- 1.3 Words importing the masculine gender only shall include all genders.
- 1.4 Words importing persons shall include corporations, firms and unincorporated associations.
- 1.5 Subject as aforesaid any words or expressions defined in the Act or any statutory modification thereof in force at the date on which these Articles are adopted shall if not inconsistent with the subject of context, bear the same meanings in these Articles.
- 1.6 Reference herein to any provision of the Act shall be a reference to any provision as modified by any Statute for the time being in force.

## **2. NAME**

The name of the company is "HAY FESTIVAL FOUNDATION LIMITED" (the "COMPANY").

## **3. OFFICE**

The Registered Office of the Company will be situate in England and Wales.

## **4. OBJECTS**

The objects for which the Company is established are:

- 4.1 To further the education and learning of the people of both the United Kingdom of Great Britain and Northern Ireland and other countries around the world in the art and science of literature, poetry and all other forms of artistic expression, in particular by promoting public festivals, shows, readings and fairs,
- 4.2 To promote study and research in literature and poetry and all other forms of artistic expression throughout the world provided the results of such research shall be published,
- 4.3 To promote excellence in literature and poetry and all other forms of artistic expression throughout the world and in particular (but without prejudice to the generality of the above) to award medals and/or prizes in furtherance of this object, and
- 4.4 To promote or develop for the benefit of the people of both the United Kingdom of Great Britain and Northern Ireland and other countries around the world the art or science of literature, poetry and all other forms of artistic expression in all its branches and likewise to promote and develop the improvement of literature, poetry and all other forms of artistic expression in the United Kingdom of Great Britain and Northern Ireland and other countries around the world.

## **5. POWERS**

In furtherance of its objects but not otherwise the Company shall have power to:

- 5.1 Award scholarships, exhibitions, bursaries or maintenance allowances tenable at any school, university or other educational establishment approved by the Trustees to or for the use of persons who are attending an educational establishment and who are in need of financial assistance;
- 5.2 Provide financial assistance, clothing, equipment or books to such persons;
- 5.3 Award to such persons grants or maintenance allowances to enable them to travel whether in the United Kingdom or abroad in furtherance of their education;
- 5.4 Otherwise further the education of such persons;
- 5.5 To acquire by purchase, lease or otherwise any real or personal property and any rights or privileges which the Company may think necessary;
- 5.6 To acquire, construct, maintain or alter any buildings, erections or works;
- 5.7 To invest and deal with moneys of the Company not immediately required in such manner as the Company may from time to time determine;
- 5.8 To borrow or raise money on such terms and on such security as the Company shall think fit;
- 5.9 To sell, manage, lease, mortgage, exchange, dispose or otherwise deal with and turn to account all or any part of the property of the Company as may be considered expedient;
- 5.10 To employ all such officers and employees as may be required for the purpose of the Company;
- 5.11 To grant pensions and retirement benefits to or for employees or former employees of the Company and to the widows, children and other dependants of deceased employees who are in necessitous circumstances, and to pay or subscribe to funds or schemes for the provision of pensions and retirement benefits for employees or former employees of the Company, their widows, children and other dependants;
- 5.12 To accept any bequest, gift, subscriptions or donation; and
- 5.13 To do all such other lawful things as shall further the attainment of the said objects,

PROVIDED THAT in case the Company shall take or hold any property which may be subject to any trusts the Company shall only deal with or invest the same in such manner as allowed by the law having regard to such trusts.

## **6. USE OF INCOME AND PROPERTY**

- 6.1 The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in these Articles of Association and no portion thereof shall be paid or transferred directly or indirectly by way of dividend bonus or otherwise howsoever by way of profit, to members of the Company and no Trustee shall be appointed to any office of the Company paid by salary or fees, or receive any remuneration or other benefit in money or money's worth from the Company,

PROVIDED THAT nothing therein shall prevent any payment in good faith by the Company:

- 6.1.1 of reasonable and proper remuneration to any officer or employee of the Company (not being a Trustee) for any services rendered to the Company;
- 6.1.2 of interest at a rate (not exceeding two per cent. above the base rate of the Bank of England from time to time) per annum on money lent;
- 6.1.3 of reasonable and proper rent for premises demised or let by any Trustee;
- 6.1.4 to any Trustee in respect of reasonable out-of-pocket expenses; or

- 6.1.5 to a company of which a Trustee may be a member holding not more than one per cent. of the capital of such company.

## **7. MEMBERS' LIABILITY**

- 7.1 The liability of the Members is limited by guarantee.
- 7.2 Every Member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up or dissolved while they are a member or within one year after they cease to be a Member, for payment of the debts and liabilities of the Company contracted before they cease to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding £1.

## **8. DISSOLUTION**

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 will not be paid to or distributed among the Members of the Company, but shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of the Company and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of Article 6 hereof, such institution or institutions to be determined by the members of the Company at or before the time of dissolution and if and so far as effect cannot be given to such provision, then to some charitable object.

## **9. MEMBERS**

- 9.1 The Members of the Company shall be the Trustees from time to time.
- 9.2 A Member shall cease to be a Member automatically upon ceasing to be a Trustee.

## **10. GENERAL MEETINGS**

- 10.1 The Company shall not be required to hold an Annual General Meeting.
- 10.2 The Board may whenever they think fit convene a General Meeting in accordance with the Act.

## **11. NOTICE OF GENERAL MEETINGS**

- 11.1 At least 21 clear days' notice of a General Meeting is required where such General Meeting is convened to pass a Special Resolution. Otherwise General Meetings shall be called on at least 14 clear days' notice.
- 11.2 Notice of a General Meeting shall specify the place, the day and the hour of the meeting, and in the case of business which is to be the subject of a Special Resolution, the general nature of that business.
- 11.3 The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed, or proceeding had, at any meeting.

## **12. PROCEEDINGS AT GENERAL MEETINGS**

- 12.1 No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. The quorum is the greater of two Members or the number nearest to one third of the total number of members present in person or by proxy.
- 12.2 If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week, at the same time and place or such other place as the Board may determine.
- 12.3 Any of the Members can take part in a General meeting by way of video conference or conference telephone or similar equipment designed to allow everybody to take part in the meeting, and taking part in this way will be treated for all purposes as being present in person at the meeting.
- 12.4 The Chair (if any) shall preside at every General Meeting, but if there be no Chair, or if at any meeting they shall not be present within fifteen minutes after the time appointed, or shall be unwilling to preside, the Vice Chair shall preside at the General Meeting. Otherwise the Trustees will appoint one of their number to preside.
- 12.5 The Chair 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 in respect of which the adjournment took place. Whenever the meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given in the same manner as an original meeting. Where the meeting is adjourned for less than 30 days, the members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.
- 12.6 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 demanded in accordance with the Act.

- 12.7 In the case of an equality of votes whether on a show of hands or on a poll the chair of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.

### **13. VOTES OF MEMBERS**

- 13.1 Subject to Article 12.7, every Member shall have one vote.
- 13.2 Votes may be given on a poll either personally or by proxy in accordance with the Act.
- 13.3 Any instrument appointing a proxy shall be in such form as the Board requires from time to time.

### **14. TRUSTEES**

- 14.1 The number of Trustees shall be at least three and no more than 15.
- 14.2 The Trustees for the time being shall have power at any time from time to time to appoint any person who is able and willing to be a Trustee subject to any maximum under Article 14.1 not being exceeded.
- 14.3 A person shall not be entitled to act as a Trustee, whether on a first or any subsequent entry into office, until they have signed a declaration of acceptance and willingness to act in accordance with the terms of these Articles.
- 14.4 Subject to Article 6, the Trustees shall not be entitled to any remuneration for their services.
- 14.5 Without prejudice to the generality of the foregoing no Trustee shall be entitled to receive any remuneration or prize for taking part in any event or festival organised by the Company or which carried the Company's name.

### **15. APPOINTMENT AND RETIREMENT OF TRUSTEES**

- 15.1 Subject to Article 16, all Trustees shall be appointed for a term of three years beginning with the date of their appointment and the shall retire at the Board meeting falling closest to the third anniversary of their appointment or re-appointment, as the case may be.
- 15.2 At the end of their term of office a Trustee may be re-appointed, provided that they may not serve for more than nine consecutive years or three consecutive three year terms of office.
- 15.3 A Trustee who has served in office for the maximum term as set out in Article 15.2 shall be ineligible for reappointment until one calendar year has elapsed.

### **16. TRANSITIONAL PROVISIONS**

#### **16.1 Trustees who prior to their appointment were Limited Company Directors**

Where a Trustee was a Limited Company Director immediately prior to appointment as a Trustee, such Trustee may serve for a single three year term only and may not be re-appointed until a period of at least one calendar year has elapsed.

#### **16.2 Trustees who prior to the Adoption Date were Trustees**

16.2.1 Where the date on which a Trustee was first appointed (their **Initial Appointment Date**) predates the Adoption Date, such Trustee may serve for a single three year term beginning on the Adoption Date only, even if their total term of office exceeds or is less than nine years.

16.2.2 A Trustee who retires pursuant to Article 16.2.1 may not be reappointed until a period of at least one calendar year has elapsed.

## **17. POWERS AND DUTIES OF THE BOARD**

17.1 The business of the Company shall be managed by the Board who:

17.1.1 may pay all expenses incurred in promoting the Company;

17.1.2 may exercise all such powers of the Company as are not by the Act or by these Articles required to be exercised by the Company in General Meeting,

in each case subject to:

(a) any provision of these Articles;

(b) to the provisions of the Act; and

(c) to such regulations, being not inconsistent with these Articles or the Act, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

17.2 The Board shall cause minutes to be made in books provided for the purpose:

17.2.1 of all appointments of officers made by the Board;

17.2.2 of the names of all the members of the Board present at each meeting of the Board and of any committee of the Board;

17.2.3 of all resolutions and proceedings at all meetings of the Company and of the Board and all committees of the Board.

## **18. REMOVAL OF MEMBERS OF THE BOARD**

18.1 The office of a member of the Board shall be vacated, if:

18.1.1 by written notice they resign from office;

18.1.2 the Trustees pass a resolution to remove them from office on the basis that in their reasonable opinion, their conduct or behaviour is detrimental to the interests of the Company or otherwise in breach of any code of conduct in place from time to time;

18.1.3 they absent themselves from Board meetings during a continuous period of six months without special leave of absence from the Trustees and the Trustees pass a resolution that they have by reason of such absence vacated office;

18.1.4 they are declared bankrupt or they make an arrangement or composition with their creditors;

18.1.5 they are the subject of a written opinion by a registered medical practitioner who is treating that Trustee, addressed to the Company, stating that the Trustee has become physically or mentally incapable of acting as a Trustee and may remain so for more than three months;

18.1.6 they die;

18.1.7 they are automatically disqualified from being a trustee under section 178 of the Charities Act 2011 as amended from time to time; or

18.1.8 they are removed from office by a resolution duly passed pursuant to Section 168 of the Act.

## **19. PROCEEDINGS OF THE BOARD**

- 19.1 The quorum for proceedings of the is two Trustees, or the number nearest to one third of the total number of Trustees, whichever is greater, or such larger number as the Trustees may decide from time to time.
- 19.2 The Trustees may from time to time elect from amongst their number a Chair and a Vice Chair and may determine for what period they are to hold office. The Chair shall be entitled to preside at all Board meetings and General Meetings at which they shall be present. If there shall be no Chair or if at any meeting they are unwilling to preside or they are not present within five minutes after the time appointed for holding the meeting, the Vice Chair shall act as Chair of the meeting and if no Vice Chair is elected or if at any meeting they are unwilling to preside or they are not present within five minutes after the time appointed for holding the meeting, the Trustees present shall choose one of their number to be chair of the meeting.
- 19.3 The Board may meet together for the despatch of business, adjourn or otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the Chair shall have a second or casting vote. A Trustee may and the Secretary on the requisition of a Trustee shall at any time summon a meeting of the Board by notice served upon the Trustees.
- 19.4 If a question arises at a meeting of the Board or of a committee of the Board as to the right of a member of the Board to vote, the question may, before the conclusion of the meeting, be referred to the Chair and their ruling in relation to any member of the Board other than themselves shall be final and conclusive.
- 19.5 The continuing members of the Board may act notwithstanding any vacancy in their body but if and so long as such continuing members cannot make up or form a quorum of the Board they may act for the purpose of appointing further Trustees or to summon a General Meeting of the Company but for no other purpose.
- 19.6 The Board may delegate any of their powers to committees, which shall comprise persons appointed by the Board who may or may not be Trustees. Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Board, provided always that in every such case regulations shall include a mandatory provision that any Committee shall only be empowered to make recommendations to the Board which recommendations the Board must first approve before they are capable of being implemented.
- 19.7 The meetings and proceedings of any Committee shall be governed by the provisions of these Articles and by separate terms of reference implemented from time to time by the Board.
- 19.8 All acts done by any meeting of the Board or of a Committee shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Trustee or member of a Committee (as the case may be) or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Trustee or member of a Committee (as the case may be).
- 19.9 Any of the Trustees or members of a Committee can take part in a Board meeting or Committee meeting by way of video conference or conference telephone or similar equipment designed to allow everybody to take part in the meeting, and taking part in this way will be treated for all purposes as being present in person at the meeting.
- 19.10 A resolution in writing signed by all Trustees or of any members of a Committee who are duly entitled to receive notice of a meeting of the Board or 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.



## 20. CONFLICTS OF INTEREST

- 20.1 To the extent required by law every Trustee must disclose to the Company all matters in which they or a Connected Person has an interest which could, directly or indirectly, conflict with the interests of the Company.
- 20.2 To the extent required by law every Trustee is obliged to avoid situations in which they have (or could have) a direct or indirect interest that conflicts (or could conflict) with the interests of the Company. Where a Trustee is unable to avoid such a situation, this obligation is not infringed if:
- 20.2.1 the situation could not reasonably be regarded as likely to give rise to a conflict of interest; or
  - 20.2.2 the matter has been proposed and authorised by the Trustees in the manner set out in Article 20.3.
- 20.3 A matter proposed to the Trustees, in relation to which a Trustee(s) is/are conflicted, may only be authorised by the Trustees where:
- 20.3.1 subject to Article 20.4, any requirements as to the quorum at the Board meeting at which the matter is considered is met without counting the Trustee(s) in question;
  - 20.3.2 the matter is authorised without the Trustee(s) in question voting on the matter (or would have been agreed to had their vote not been counted); and
  - 20.3.3 the Trustee(s) in question is absent from the Board meeting for that item unless expressly invited to remain to provide information.
- 20.4 Where there are insufficient Eligible Trustees to form a quorum at a Board meeting (or part of it) the Eligible Trustees present shall be deemed to form a quorum for the purposes of authorising the matter proposed to them under Article 20.2.2 provided that:
- 20.4.1 they are satisfied that the Trustee(s) in question will not receive any direct or indirect benefit other than one permitted by the these Articles; and
  - 20.4.2 the total number of Trustees at the Board meeting is equal to or higher than the usual quorum for the Board.
- 20.5 Subject to Article 20.6, where a Trustee or Connected Person has a direct or indirect interest in any proposed transaction or arrangement with the Company, the Trustee must:
- 20.5.1 declare the nature and extent of that interest either at a Board meeting or by written notice before the Company enters into the transaction or arrangement;
  - 20.5.2 be absent from the Board meeting for that item unless expressly invited to remain in order to provide information;
  - 20.5.3 not be counted in the quorum for that part of the Board meeting; and
  - 20.5.4 be absent during any vote and have no vote on the matter (whether in a Board meeting or by written resolution).
- 20.6 Notwithstanding Article 20.5, a Trustee who is interested in a proposed transaction or arrangement with the Company may participate in the decision-making process and count towards the quorum for that part of the Board meeting, and be permitted to vote, if the proposed transaction or arrangement is one falling within Article 20.7 (**a permitted cause**).
- 20.7 This Article applies when a Trustee's interest in a proposed transaction or arrangement cannot reasonably be regarded as likely to give rise to a conflict of interest, or the Trustee's conflict of interest arises from any of the following permitted causes:

- 20.7.1 where the proposed transaction or arrangement is one which applies to the Trustee(s) in question in common with other third parties and there is no benefit to the Trustee(s) in question over and above that afforded to such third parties;
  - 20.7.2 any transaction or arrangement with a charity of which a Trustee is a charity trustee or with which they are otherwise connected and which is in furtherance of the objects of the Company and which does not confer a personal benefit on the Trustee;
  - 20.7.3 any transaction or arrangement with a company limited by shares or a company limited by guarantee which is wholly owned by the Company (or the Company and other charities) and in which a Trustee does not have an interest otherwise than as an unpaid director and which does not confer a personal benefit on the Trustee; and
  - 20.7.4 where the benefit is so negligible or minimal that it could not reasonably be regarded as giving rise to a conflict of interest.
- 20.8 Subject to Article 20.9, if a question arises at a Board meeting as to the right of a Trustee to participate in the Board meeting (or part of the Board meeting) for voting or quorum purposes, the question may, before the conclusion of the Board meeting, be referred to the Chair whose ruling in relation to any Trustee other than the Chair shall be final and conclusive.
- 20.9 If any question as to the right to participate in the Board meeting (or part of the Board meeting) should arise in respect of the Chair, the question is to be decided by a decision of the Trustees at that Board meeting, for which purpose the Chair shall not be counted as participating in the Board meeting (or that part of the Board meeting) for voting or quorum purposes.

## **21. ADVISORY COUNCIL**

- 21.1 The Board may establish a committee known as the Advisory Council.
- 21.2 The members of the Advisory Council shall be appointed by the Trustees.
- 21.3 Up to three members of the Advisory Council at any one time may also be Trustees.
- 21.4 Members of the Advisory Council shall be appointed for a term determined at the time of their appointment by the Trustees, provided that the Trustees may in their discretion remove a member of the Advisory Council in circumstances where, were such a member be serving as a Trustee, they would be liable to removal pursuant to Article 18.1.
- 21.5 Subject to Article 21.6, the role of the Advisory Council and the extent of its authority shall be set out in separate terms of reference created by the Board from time to time.
- 21.6 Neither the Advisory Body nor its members shall:
- 21.6.1 have the authority to bind the Board or the Company, and they shall not hold themselves out as being able to do so;
  - 21.6.2 act as the Company's or the Board's agent; or
  - 21.6.3 have the authority to enter into contracts or commitments with any person which purport to bind the Company.

## **22. ACCOUNTS**

Accounts and records shall be prepared and maintained in accordance with the requirements of law and generally accepted accounting practice for companies of the nature of the Company, carrying on activities of the nature carried on by the Company.

## **23. NOTICES**

**23.1** A notice may be served by the Company upon any Member, either:

**23.1.1** personally or by sending it through the post in a pre-paid letter, addressed to such member at their registered address appearing in the Register of Members; or

**23.1.2** by electronic means to an address notified by the Member to the Company.

**23.2** 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 them, shall be entitled to have notices served upon them at such address, but, save as aforesaid and as provided by the Act, 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.

**23.3** Any notice, if served by post, shall be deemed to have been served on the 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 and posted by recorded delivery.