

COMPANY NOT HAVING A SHARE CAPITAL

Articles of Association for a Charitable Company

Articles of Association of The Ethical Property Foundation

THURSDAY



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#258

COMPANIES HOUSE

- 1 The company's name is The Ethical Property Foundation
(and in this document it is called "the charity")

- 2 **Interpretation**

In the articles

'address' means a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the charity,

'the articles' means the charity's articles of association,

'the charity' means the company intended to be regulated by the articles,

'clear days' in relation to the period of a notice means a period excluding

- the day when the notice is given or deemed to be given, and
- the day for which it is given or on which it is to take effect,

'the Commission' means the Charity Commission for England and Wales,

'Companies Acts' means the Companies Acts (as defined in Section 2 of the Companies Act 2006) insofar as they apply to the charity,

'the directors' means the directors of the charity. The directors are charity trustees as defined by section 97 of the Charities Act 1993,

'document' includes, unless otherwise specified, any document sent or supplied in electronic form,

'the memorandum' means the charity's memorandum of association,

'officers' includes the directors and secretary (if any),

'the seal' means the common seal of the charity if it has one,

'secretary' means any person appointed to perform the duties of the secretary of the charity,

'the United Kingdom' means Great Britain and Northern Ireland, and

words importing one gender shall include all genders, and the singular included the plural and vice versa

Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the charity

Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force

- 3 **Liability of members**

The liability of members is limited to a sum not exceeding £1, being the amount that each member undertakes to contribute to the assets of the charity in the event of its being wound up while he, she or it is a member or within one year after he, she or it ceases to be a member, for

- (1) payments of the charity's debts and liabilities incurred before he, she or it ceases to be a member;
- (2) payment of the costs, charges and expenses of winding up, and
- (3) adjustment of the rights of the contributories among themselves

4 Objects

The charity's objects ('Objects') are to promote such purposes as may be charitable according to the laws of England and Wales and in particular to promote the efficiency and efficacy of charities

Nothing in the articles shall authorize an application of the property for purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and/or section 2 of the Charities Act (Northern Ireland) 2008

5 Powers

The charity has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, the charity has power

- (1) to raise funds. In doing so, the charity must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations,
- (2) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain it and equip it for use,
- (3) 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 sections 36 and 37 of the Charities Act 1993, as amended by the Charities Act 2006
- (4) 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 or as security for a grant or the discharge of an obligation. The charity must comply as appropriate with sections 38 and 39 of the Charities Act 1993, as amended by the Charities Act 2006, if it wishes to mortgage land,
- (5) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them,
- (6) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in its Objects,
- (7) to acquire merge with or enter into any partnership or joint venture arrangement with any other charity,
- (8) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves,
- (9) 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 7 and provided it complies with the conditions in that article,
- (10) to
 - a deposit or invest funds,
 - b employ a professional fund manager; and
 - c arrange for investments or other property of the charity to be held in the name of a 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,
- (11) to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993,
- (12) to pay out of the funds of the charity the costs of forming and registering the charity both as a company and as a charity

6 Application of income and property

- (1) Income and property of the charity shall be applied solely towards the promotion of the Objects
- (2) A director
 - a is entitled to be reimbursed from the property of the charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the charity

- b may benefit from trustee indemnity insurance cover purchased at the charity's expense in accordance with, and subject to the conditions in section 73F of the Charities Act 1993
 - c may receive an indemnity from the charity in the circumstances specified in article 57
 - d may not receive any other benefit or payment unless it is authorized by article 7
- (3) Subject to article 7, none of the income or property of the charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the charity. This does not prevent a member who is not also a Director from receiving
- a a benefit from the charity in the capacity of a beneficiary of the charity,
 - b reasonable and proper remuneration for any goods and services supplied to the charity

7 Benefits and payments to charity directors and connected persons

(1) General provisions

No director or connected person may

- a buy any goods or services from the charity on terms preferable to those applicable to members of the public,
- b sell goods or services, or any interest in land to the charity,
- c be employed by, or receive any remuneration from, the charity,
- d receive any other financial benefit from the charity,

unless the payment is permitted by sub-clause (2) of this article, or authorized by the court or the Charity Commission

In this article a 'financial benefit' means a benefit, direct or indirect, which is either money or has a monetary value

Scope and powers permitting directors' or connected persons' benefit

(2) A director or connected person may

- a receive a benefit from the charity in the capacity of a beneficiary of the charity provided that a majority of the directors do not benefit in this way,
- b enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the charity where that is permitted in accordance with, and subject to the conditions in, section 73A to 73C of the Charities Act 1993,
- c subject to sub-clause (3) of this article provide the charity with goods that are not supplied in connection with services provided to the charity by the director or connected person,
- d may receive interest on money lent to the charity at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate),
- e receive rent for premises let by the director or connected person to the charity. The amount of the rent and the other terms of the lease must be reasonable and proper. The director concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion,
- f take part in the normal trading and fundraising activities of the charity on the same terms as members of the public

Payment for supply of goods only – controls

- (3) The charity and its directors may only rely upon the authority provided by sub-clause (2)c of this article if each of the following conditions is satisfied
- a The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the charity or its directors (as the case may be) and the director or connected person supplying the goods ('the supplier') under which the supplier is to supply the goods in question to or on behalf of the charity

- b The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question
 - c The other directors are satisfied that it is in the best interests of the charity to contract with the supplier rather than with someone who is not a director or connected person. In reaching that decision the directors must balance the advantage of contracting with a director or connected person against the disadvantages of doing so
 - d The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the charity
 - e The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of directors is present at the meeting
 - f The reason for their decision is recorded by the directors in the minute book
 - g A majority of directors then in office are not in receipt of remuneration or payments authorized by article 7
- (4) In sub-clauses (2) and (3) of this article
- h 'charity' includes any company in which the charity
 - i holds more than 50% of the shares, or
 - ii controls more than 50% of the voting rights attached to the shares, or
 - iii has the right to appoint one or more directors to the board of the company
 - i 'connected person' includes any person within the definition of article 61 'Interpretation'

8 Declaration of directors' interests

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

9 Conflicts of interests and conflicts of loyalties

- (1) If a conflict of interests arises for a director because of a duty of loyalty owed to another organization or person and the conflict is not authorized by virtue of any other provision in the articles, the unconflicted directors may authorize such a conflict of interests where the following conditions apply
- a the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that organization or person,
 - b the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present, and
 - c the unconflicted directors consider it is in the interests of the charity to authorize the conflict of interests in the circumstances applying
- (2) In this article a conflict of interests arising because of a duty of loyalty owed to another organization or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or a connected person

10 Members

- (1) The subscribers to the memorandum are the first members of the charity
- (2) Membership is open to other individuals or organizations who
 - a apply to the charity in the form required by the directors, and
 - b are approved by the directors
- (3) The directors

- a may only reject a nomination for membership if, acting reasonably and properly, they consider it in the best interests of the charity to reject the nomination,
 - b must inform the applicant in writing of the reasons for the refusal within twenty-one days of their decision,
 - c must consider any written representations the applicant may make about the decision. The directors' decision following any written representations must be notified to the applicant in writing but shall be final
 - (4) Membership is not transferable
 - (5) The directors must keep a register of the names and addresses of members
- 11 **Classes of membership**
- (1) The directors may establish classes of membership with different rights and obligations and shall record the rights and obligations in the register of members
 - (2) The directors may not directly or indirectly alter the rights and obligations attached to a class of membership
 - (3) The rights attached to a class of membership may only be varied if
 - a three-quarters of the members of that class consent in writing to the variation, or
 - b a special resolution is passed at a separate general meeting of the members of that class agreeing to the variation
 - (4) The provisions in the articles about general meetings shall apply to any meeting relating to the variation of the rights of any class of members
- 12 **Termination of membership**
- Membership is terminated if
- (1) the member dies or, if it is an organization, ceases to exist,
 - (2) the member resigns by written notice to the charity unless, after the resignation, there would be less than two members,
 - (3) any sum due from the member to the charity is not paid in full within six months of it falling due,
 - (4) the member is removed from membership by a resolution of the directors that it is in the best interests of the charity that his or her or its membership is terminated. A resolution to remove a member from membership may only be passed if
 - a the member has been given at least twenty-one days' notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is proposed,
 - b the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations to the meeting
- General meetings**
- 13 The charity will hold its first annual general meeting within eighteen months after the date of its incorporation. An annual general meeting will be held in each subsequent year and not more than fifteen months will elapse between successive annual general meetings
- 14 The directors may call a general meeting at any time
- 15 **Notice of general meetings**
- (1) The minimum periods of notice required to hold a general meeting of the charity are
 - a twenty-one clear days for an annual general meeting or a general meeting called for the passing of a special resolution
 - b fourteen clear days for all other general meetings

- (2) A general meeting may be called at shorter notice if it so agreed by a majority in number of members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 percent of the total voting rights
 - (3) The notice must specify the date time and place of the meeting and the general nature of the business to be transacted. If the meeting is an annual general meeting, the notice must say so. The notice will also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article 22
 - (4) The notice will be given to all the members and to the directors and auditors
- 16 The proceedings of a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of accidental omission by the charity
- Proceedings at general meetings**
- 17 **Quorums for general meetings**
- (1) No business shall be transacted at any general meeting unless a quorum is present
 - (2) A quorum is three members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting, or one tenth of the total membership at the time, whichever is the greater
 - (3) The authorized representative of a member organization shall be counted in the quorum
- 18 **Quorums not present at general meetings**
- (1) If a quorum is not present within half an hour from the time appointed for the meeting, or during a meeting a quorum ceases to be present the meeting shall be adjourned to such time and place as the directors shall determine
 - (2) The directors must reconvene the meeting and must give at least seven clear days notice of the reconvened meeting stating the date, time and place of the meeting
 - (3) If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person or by proxy shall constitute the quorum for that meeting
- 19 **Chairing general meetings**
- (1) General meetings shall be chaired by the person who has been appointed to chair meetings of the directors
 - (2) If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting a director nominated by the directors shall chair the meeting
 - (3) If there is only one director present and willing to act, he or she shall chair the meeting
 - (4) If no director is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting
- 20 **Adjournment of general meetings**
- (1) The members present in person or by proxy at a meeting may resolve by ordinary resolution that the meeting shall be adjourned
 - (2) The person who is chairing the meeting must decide the date time and place at which the meeting is to be reconvened unless those details are specified in the resolution
 - (3) No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place
 - (4) If a meeting is adjourned by a resolution of the members for more than seven days, at least seven clear days notice shall be given of the reconvened meeting stating the date time and place of the meeting
- 21 **Voting at general meetings**
- (1) Any vote at a meeting shall be decided by a show of hands unless before, or on declaration of the result of the show of hands, a poll is demanded

- a by the person chairing the meeting, or
 - b by at least two members present in person or by proxy and having the right to vote at the meeting, or
 - c by a member or members present in person or by proxy representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting
- (2)
- a The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded
 - b The result of the vote must be recorded in the minutes of the charity but the number or proportion of the votes cast need not be recorded
- (3)
- a A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting
 - b If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made
- (4)
- a A poll must be taken as the person chairing the meeting directs. The person chairing the meeting may appoint scrutineers (who need not be members), and may fix a time and place for declaring the results of the poll
 - b The results of the poll shall be deemed to be the resolution of the meeting at which the poll was taken
- (5)
- a A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately
 - a A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs
 - b A poll must be taken within thirty days after it has been demanded
 - c If the poll is not taken immediately at least seven clear days notice shall be given specifying the time and place at which the poll is to be taken
 - d If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting

22 Proxy notices

- (1) Proxies may only be validly appointed by a notice in writing (a 'proxy notice') which
- a states the name and address of the member appointing the proxy,
 - b identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed,
 - c is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine, and
 - d is delivered to the charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate
- (2) The charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions
- (4) Unless a proxy notice indicates otherwise, it must be treated as
- a Allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - b Appointing the person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

- (5) A person who is entitled to attend, speak or vote (either on a show of hands or 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
- (6) 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
- (7) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or the adjourned meeting to which it relates
- (8) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

23 Written resolutions

- (1) A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75 percent) of the members who would have been entitled to vote if it had been proposed at a general meeting shall be effective provided that
 - a a copy of the proposed resolution has been sent to every eligible member,
 - b a simple majority (or in the case of a special resolution by a majority of not less than 75 percent) of the members has signified its agreement to the resolution, and
 - c it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date
- (2) A resolution in writing may comprise several copies to which one or more members have signified their agreement
- (3) In the case of a member that is an organization, its authorized representative may signify agreement

Votes of members

- 24 Subject to article 11, every member, whether an individual or an organization, shall have one vote
- 25 Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final
- 26 Any organization that is a member may nominate any person to act as its representative at any meeting of the charity
 - (1) The organization must give written notice to the charity of the name of its representative. The representative shall not be entitled to represent the organization at any meeting unless notice has been received by the charity
 - (2) The representative may continue to represent the organization until written notice to the contrary is received by the charity
 - (3) Any notice given to the charity will be conclusive evidence that the representative is entitled to represent the organization or that his or her authority has been revoked. The charity shall not be required to consider whether the representative has been properly appointed by the organization

Directors

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

31 Powers of directors

- (1) The directors shall manage the business of the charity and may exercise all the powers of the charity unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution

- (2) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors
- (3) Any meeting of the directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the directors

Retirement of directors

- 32 At the first annual general meeting all the directors will retire from office unless by the close of the meeting the members have failed to elect sufficient directors to hold a quorate meeting of the directors. At each subsequent annual general meeting one third of the directors or, if their number is not three or a multiple of three, the number nearest to one third, must retire from office. If there is only one director, he or she must retire
- 33 The directors to retire by rotation shall be those who have been longest in office since their last appointment
 - (1) If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot
 - (2) If a director is required to retire at an annual general meeting by a provision of the articles their retirement shall take effect upon the conclusion of the meeting

Appointment of directors

- 34 The charity may by ordinary resolution
 - (1) appoint a person who is willing to be a director, and
 - (2) determine the rotation in which any additional directors are to retire
- 35 No person other than a director retiring by rotation may be appointed a director at any general meeting unless
 - (1) he or she is recommended for election by the directors, or
 - (2) not less than fourteen nor more than thirty-five clear days before the date of the meeting, the charity is given notice that,
 - a is signed by a member entitled to vote at the meeting,
 - b states the member's intention to propose the appointment of a person as a director,
 - c contains the details that, if the person were to be appointed, the charity would have to file at Companies House, and
 - d is signed by the person who is to be proposed to show his or her willingness to be appointed
- 36 All members who are entitled to receive notice of a general meeting must be given not less than seven nor more than twenty-eight clear days notice of any resolution to be put to the meeting to appoint a director other than a director who is to retire by rotation
- 37 The directors may appoint a person who is willing to act to be a director
 - (1) A director appointed by a resolution of the other directors must retire at the next annual general meeting
 - (2) A director appointed by a resolution of the other directors must not be taken into account in determining the directors who are to retire by rotation
- 38 The appointment of a director, whether by the charity in general or by the other directors, must not cause the number of directors to exceed any number fixed by special resolution from time to time as the maximum number of directors
- 39 **Disqualification and removal of directors**

A director shall cease to hold office if he or she

 - (1) ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director,
 - (2) is disqualified from acting as a trustee by virtue of section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision),
 - (3) ceases to be a member of the charity by virtue of article 12,

- (4) becomes incapable by reason of mental disorder, illness or injury of managing or administering his or her own affairs,
- (5) resigns as a director by notice to the charity (but only if at least two directors will remain in office when the notice of resignation is to take effect), or
- (6) is absent without the permission of the directors from all their meetings held within a period of six consecutive months and the directors resolve that his or her office be vacated

40 Remuneration of directors

The directors must not be paid any remuneration unless it is authorized by article 7

41 Proceedings of the directors

- (1) The directors may regulate their proceedings as they think fit, subject to provisions of the articles
- (2) Any director may call a meeting of the directors
- (3) The secretary (if any) must call a meeting of the directors if requested to do so by a director
- (4) Questions arising at a meeting shall be decided by a majority of votes
- (5) In the case of equality of votes, the person chairing the meeting shall have a second or casting vote
- (6) A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants

42 Quorums at directors meetings

- (1) No decision may be made at a meeting of the directors unless a quorum is present at the time the decision is made [‘Present’ includes being present by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants]
- (2) The quorum shall be two or the nearest number to one third of the total number of directors, whichever is the greater, or such larger number as may be decided from time to time by the directors
- (3) A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote

43 If the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or calling a general meeting

44 Chairing directors’ meetings

- (1) The directors shall appoint a director to chair their meetings and may at any time revoke such appointment
- (2) If no-one has been appointed to chair meetings of the directors or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair that meeting
- (3) The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by the articles or delegated to him or her by the directors

45 Written and electronic resolutions

- (1) A resolution in writing or in electronic form agreed by the directors entitled to receive notice of a meeting of the directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors fully convened and held
- (2) A resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more directors has signified agreement

46 Delegation

- (1) The directors may delegate any of their powers or functions to a committee of two or more directors but the terms of the delegation must be recorded in the minute book
- (2) The directors may impose conditions when delegating, including the conditions that
a the relevant powers are to be exercised exclusively by the committee to whom they delegate,

- b no expenditure may be incurred on behalf of the charity except in accordance with a budget previously agreed with the directors
- (3) The directors may alter or revoke a delegation
- (4) All acts and proceedings of any committees must be fully and promptly reported to the directors
- 47 **Validity of directors' decisions**
 - (1) Subject to article 47(2), all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director
 - a who was disqualified from holding office,
 - b who had previously retired or who had been obliged by the constitution to vacate office,
 - c who was not entitled to vote on the matter, whether by reason of conflicts of interest or otherwise,
 - if without
 - d the vote of that director; and
 - e that director being counted in the quorum,
 - the decision has been made by a majority of directors at a quorate meeting
 - (2) Article 47(1) does not permit a director or connected person to keep any benefit that may be conferred on him or her by a resolution of the directors or a committee of directors if, but for article 47(1), the resolution would have been void, or if the director has not complied with article 8
- 48 **Seal**

If the charity has a seal it must only be used by the authority of the directors or of a committee of directors authorized by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and the secretary (if any) or by a second director
- 49 **Minutes**

The directors must keep minutes of all

 - (1) appointments of officers made by the directors,
 - (2) proceedings at meetings of the charity,
 - (3) meetings of the directors and committees of directors including
 - a the names of the directors present at the meeting,
 - b the decisions made at the meeting, and
 - c where appropriate the reasons for the decision
- 50 **Accounts**
 - (1) The directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice
 - (2) The directors must keep accounting records as required by the Companies Acts
- 51 **Annual Report and Return and Register of Charities**
 - (1) The directors must comply with the requirements of the Charities Act 1993 with regard to the
 - a transmission of a copy of the statement of accounts to the Commission,
 - b preparation of an Annual Report and the transmission of a copy of it to the Commission,
 - c preparation of an Annual Return and its transmission to the Commission
 - (2) The directors must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities

Means of communication to be used

- 52 Subject to the articles
- (1) anything sent or supplied by or to the charity under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorized or required by any provision of that Act to be sent or supplied by or to the charity,
 - (2) any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being
- 53 Any notice to be given to or by any person pursuant to the articles
- (1) must be in writing, or
 - (2) must be given in electronic form
- 54 (1) The charity may give any notice to a member either
- a personally, or
 - b by sending it by post in a prepaid envelope addressed to the member at his her or its address, or
 - c by leaving it at the address of the member; or
 - d by giving it in electronic form to the member's address, or
 - e by placing the notice on a website and providing the member with a notification in writing or in electronic form of the presence of the notice on the website. Notification of a meeting of the charity must state that it concerns a notice of a meeting of the charity and must specify the place date and time of the meeting
- (2) A member who does not register an address with the charity or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the charity
- 55 A member present in person at any meeting of the charity shall be deemed to have received notice of the meeting and of the purposes for which it was called
- 56 Proof that
- (1) an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given
 - (2) an electronic form of notice was given shall be conclusive where the charity can demonstrate that it was properly addressed and sent in accordance with section 1147 of the Companies Act 2006
 - (3) In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given
 - a 48 hours after the envelope containing it was posted, or
 - b in the case of an electronic form of communication, 48 hours after it was sent
- 57 **Indemnity**
- (1) The charity shall indemnify a relevant director against any liability incurred in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006
 - (2) In this article a 'relevant director' means any director or former director of the charity
- 58 **Rules or bye laws**
- (1) The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the charity
 - (2) The bye laws may regulate the following matters but are not restricted to them
 - a the admission of members of the charity (including the admission of organizations to membership) and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members,

- b the conduct of members of the charity in relation to one another, and to the charity's employees and volunteers,
 - c the setting aside of the whole or any part or parts of the charity's premises at any particular time or for any particular purpose or purposes,
 - d the procedure at general meetings and meetings of directors in so far as such procedure is not regulated by the Companies Act or the articles,
 - e generally all such matters as are commonly the subject of company rules
- (3) The charity in a general meeting has the power to alter, add to or repeal the rules or bye laws
- (4) The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity
- (5) The rules or bye laws shall be binding on all members of the charity. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in the articles

59 Disputes

If a dispute arises between members of the charity about the validity or propriety of anything done by members of the charity under these articles, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation

60 Dissolution

- (1) The members of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred in any of the following ways
- a directly for the Objects, or
 - b by transfer to any charity or charities for purposes similar to the Objects, or
 - c to any charity or charities for use for particular purposes that fall within the Objects
- (2) Subject to any such resolution of the members of the charity, the directors of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred
- a directly for the Objects, or
 - b by transfer to any charity or charities for purposes similar to the Objects, or
 - c to any charity or charities for use for particular purposes that fall within the Objects
- (3) In no circumstances shall the net assets of the charity be paid to or distributed among the members of the charity (except to a member that is itself a charity) and if no resolution in accordance with article 60(1) 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

61 Interpretation

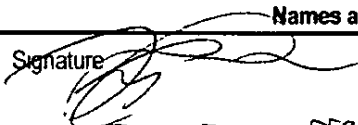
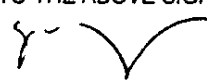
In article 7, sub-clause (2) of article 9 and sub-clause (2) of article 47 'connected person' means

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

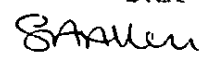

- a the director or any connected person falling within sub-clauses (1) to (3) has a substantial interest, or
- b two or more persons falling within sub-clause (5)a who, when taken together, have a substantial interest

Paragraphs 2 to 4 of Schedule 5 to the Charities Act 1993 apply for the purposes of interpreting the terms used in this article

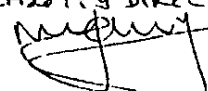

Names and addresses and signatures of subscribers

1 Signature 
 Name DAVID LIFFRIEND
 Address 35 LUDLOW ST. BUCKINGHAMSHIRE W3 3 12Q
 Date 1/5/13
 WITNESS TO THE ABOVE SIGNATURE
 Signature 


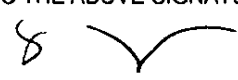
Name JOANNA TZYLOR
 Address 7 SANDERSON CLOSE, LONDON
 Occupation CHARITY DIRECTOR NWS ITS

2 Signature 
 Name SUSAN ANN ALLEN
 Address VINEHOUSE, MAIN STREET, GREAT OUSEBURGH N YORKSHIRE YO26 9EQ
 Date 1/5/13
 WITNESS TO THE ABOVE SIGNATURE
 Signature 

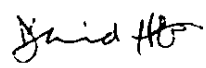

Name JOANNA TZYLOR
 Address 7 SANDERSON CLOSE, LONDON
 Occupation CHARITY DIRECTOR NWS ITS

3 Signature 
 Name MICHAEL PATRICK FENNY
 Address 53 NEW BOND STREET
 Date 1/5/13
 WITNESS TO THE ABOVE SIGNATURE
 Signature 

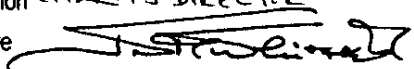

Name JOANNA TZYLOR
 Address 7 SANDERSON CLOSE, LONDON
 Occupation CHARITY DIRECTOR NWS ITS

4 Signature 
 Name WILLIAM JOSEPH SCOTT
 Address 73 ARUNDEL ROAD, KINGSTON KT1 3RY
 Date 1/5/2013
 WITNESS TO THE ABOVE SIGNATURE
 Signature 

Name JOANNA TZYLOR
 Address 7 SANDERSON CLOSE, LONDON
 Occupation CHARITY DIRECTOR NWS ITS

5 Signature 
 Name DAVID HOWARD
 Address 67 HAMILTON PARK BRISTOL BS6 6LA
 Date 1/5/13
 WITNESS TO THE ABOVE SIGNATURE
 Signature 

Name JOANNA TZYLOR
 Address 7 SANDERSON CLOSE, LONDON
 Occupation CHARITY DIRECTOR NWS ITS

6 Signature 
 Name JOHN NICHOLSON HARTLEY WHITAKER
 Address 1 BANNISTER CLOSE, OXFORD OX4 1SH
 Date 1/5/13
 WITNESS TO THE ABOVE SIGNATURE
 Signature 

Name JOANNA TZYLOR
 Address 7 SANDERSON CLOSE, LONDON
 Occupation CHARITY DIRECTOR NWS ITS

Bye Laws

Ethical Property Foundation (EPF)

Registered in England as a company number 4756158

Registered in England as a charity number 1101812

These bye laws are current at 1 May 2013
and may be revised from time to time by the Board of Trustees or at an annual general meeting

1 General provisions

All bye laws are subject to the Articles of Association (articles), particularly but not exclusively to article 58

The directors of EPF will be known as trustees and the meetings of directors will be known as meetings of the Board of Trustees

2 Admission of members of EPF

2 1 All members shall be trustees

2 2 Membership is confined to individuals who may be admitted to EPF when there is evidence that,

2 2 1 they have a history of support for EPF's work and/or EPF's values and purposes as expressed in its strategic plan from time to time,

2 2 2 they contribute to the diversity of EPF's board including particularly but not exclusively diversity in gender and ethnicity,

2 2 3 they contribute skills or experience to EPF's board including particularly but not exclusively financial, legal, human resource, marketing, voluntary sector and service user skills or experience,

2 2 4 they are nominated by a member of EPF, and

2 2 5 they are approved by the Board of Trustees

2 3 The number of members shall be subject to a maximum of ten

2 4 Any member who ceases to be a trustee shall also cease to be a member

3 Board of Trustees

3 1 Trustees will fulfill the job description for EPF trustees that may be amended from time to time by the Board of Trustees and is published with the papers for annual general meetings

3 2 The Board of Trustees shall normally meet four times a year

3 3 The Chair of the Board of Trustees or any two trustees may call a board meeting at any time with due and proper notice

4 Officers

4 1 The Board of Trustees will elect from within its number a Chair of the Board

4 2 The Board of Trustees will elect from within its number a Treasurer of EPF

4 3 The Board of Trustees will not elect from within its number a Secretary The duties of the Secretary shall be retained by the Board of Trustees as a whole and delegated to the Executive Director

5. Committees

5 1 EPF committees are restricted for the time being to

5 1 1 The Fairplace Awards Committee, covered by separate fairplace awards bye laws

5 2 EPF commits to the bye laws of the fairplace awards for the time being in force and these bye laws are to be taken as sub-clauses of EPF's bye law 5 2

6 Code of conduct

Members must comply with this Code of Conduct and act in good faith and the best interests of EPF

- 6 1 EPF values harmony and respect. Members will respect this principle in their behaviour towards each other, and towards staff, volunteers, partners and other organizations in their work within and for EPF
 - 6 2 Members must maintain high standards of propriety, integrity, impartiality and objectivity in relation to EPF. Conflict between members' interests and the discharge of their membership duties must be avoided
 - 6 2 1 Members must not seek through performance of their duties to gain material benefits for themselves, their organizations or others
 - 6 2 2 Members must avoid any suspicion that their decisions might be influenced in the hope or expectation of personal gain
 - 6 2 3 Members are required to maximize value for money by ensuring that EPF operates in the most efficient and economical way within available resources and with independent validation of performance achieved wherever practicable
 - 6 2 4 Members will endorse and operate within a policy of transparency and seek for best practice
 - 6 3 Members will maintain confidentiality of information obtained through their membership of EPF and not use it to gain material benefits for themselves, their organizations or any others
 - 6 4 Relationships with government, media and other outside bodies
 - 6 4 1 The main point of contact for EPF on day-to-day matters will normally be the Executive Director or other members who are authorised by the trustees to act on behalf of EPF
 - 6 4 2 Care should be taken about any invitation to speak publicly, including speaking to journalists, in the capacity as a member of EPF and in the publication of any articles. Members should consult the Executive Director, and in all cases should not express as a member of EPF views at variance from agreed EPF policy. Personal or organizational views may be expressed so long as it is made clear that the member is speaking or writing in a personal or organizational capacity
 - 6 5 Members will pay their annual fees (if any) to EPF when due
 - 6 6 On termination of membership, members must return to EPF all property belonging to it
 - 6 7 For the purposes of the Data Protection Act 1998 (as amended), members give their consent for all purposes to the holding, processing and accessing of personal data about them held by EPF
 - 6 8 The Chair, on advice from the Executive Director, has particular responsibility for providing leadership on adherence to this Code of Conduct including leading any necessary assessment of the behaviour of individual members in respect of their adherence to this Code of Conduct
 - 6 9 The Board of Trustees is responsible for reviewing any sanctions including the withdrawal of membership from any member found to be in breach of this Code of Conduct. Any appeal against a sanction, including withdrawal of membership, must be made in writing to the Chair of the Board of Trustees within 28 days of the sanction being imposed and notified, and will be considered by the next general meeting of members, with ruling to uphold or overturn the decision of the Board of Trustees being made on a vote
- In addition, as trustees, the following apply
- 6 10 EPF trustees serve on a part-time and unpaid basis apart from an entitlement to claim out of pocket expenses incurred in the course of their service
 - 6 11 In accordance with recommendation 53 in the Report of the Committee on Standards in Public Life (the Nolan Committee), the Chair is entrusted with the duty of investigating concerns about propriety raised confidentially. Complaints may be made directly at this level
 - 6 12 Trustees should not retain any interests that amount to an unacceptable conflict of interest with EPF. However, given that EPF members' remits stretch across a wide range of sectors and activities, rules only extend to interests in activities that could be affected by EPF's decisions
 - 6 13 Before any item is discussed at the Board, trustees should declare any direct or indirect interests they may have, including financial interests and any other interests which involve some material benefit to either

party. If in doubt, trustees should declare the connection to give other trustees the opportunity to determine appropriate response. A general notification of interest may be given that would apply to all meetings.

- 6.14 A trustee with an interest must not take part in any relevant Board discussion or decision unless the other trustees present decide unanimously that the interest is to be disregarded. Decisions on participation must be in favour of the most severe exclusion suggested (for example, if some trustees are content for the declaring trustee to participate, and others wish him or her to leave the meeting, he or she must leave).
- 6.15 A register of trustees' interests will be kept by EPF. It will include details of trustees' public and charitable appointments, directorships, related employments, and relevant financial interests.

7 Executive Director

- 7.1 Under article 5 (9) the trustees shall appoint an Executive Director who will conduct the work of EPF on their behalf who will normally be known as the Director of EPF.
- 7.2 The duties of the Executive Director are particularly but not exclusively to,
 - 7.2.1 after consultation with members, periodically (at intervals to be agreed with the board from time to time) propose strategic plans to the board for their approval, and
 - 7.2.2 annually propose budgets and work plans that deliver work agreed in the strategic plan to the board for their approval, and
 - 7.2.3 manage the planned work of EPF within the approved budgets, and
 - 7.2.4 report to the board on the progress to deliver planned work within approved budgets
 - 7.2.5 prepare for the board's approval all reports for which there are statutory requirements
- 7.3 The board will review the remuneration of the Executive Director annually in line with any policies or procedures on pay adopted by EPF from time to time.

8 Other staff

- 8.1 With the approval of the board, either through the budget or other means, the Executive Director may recruit other staff to fulfil the work of EPF to terms agreed with the board.
- 8.2 The board will review the remuneration of other staff annually in line with any policies or procedures on pay adopted by EPF from time to time.

9. Communication of Articles and Bye Laws

- 9.1 All members will receive a copy of the Articles of Association and these Bye Laws by electronic means as permitted by articles 52 to 56,
 - 9.1.1 on first becoming members, and
 - 9.1.2 with the papers for each Annual General Meeting
- 9.2 For transparency, EPF will publish its Articles of Association and Bye Laws on its website.

COMPANY NOT HAVING A SHARE CAPITAL
Memorandum of Association of a Charitable Company

Memorandum of Association of
The Ethical Property Foundation
Registered in England as a company number 4756158
Registered in England as a charity number 1101812

Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company

Name of each subscriber

Authentication by each subscriber

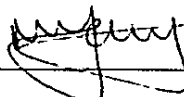
Ann Allen
Vine House, Main Street
Great Ouseburn
North Yorkshire
YO26 9ERQ

SUSAN ANN ALLEN



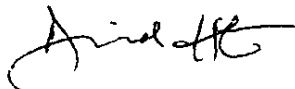
Michael Fahy
53 New Broad Street
London
EC2M 1BB

MICHAEL PATRICK FAHY



David Hunter
67 Hampton Park
Bristol
BS6 6LQ

DAVID JOHN HUNTER



David Lipfriend
35 Church Street
Rickmansworth
Hertfordshire
WD3 1DQ

DAVID IAN LIPFRIEND



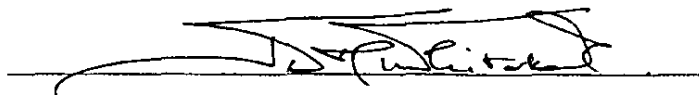
William Scott
73 Arundel Road
Kingston-upon-Thames
Surrey
KT1 3RY

WILLIAM JOSEPH SCOTT



John Whitaker
1 Bannister Close
Oxford
OX4 1SH

JOHN NICHOLSON KARTLEY WHITAKER



Dated 1 May 2013

Extract from minutes - Ethical Property Foundation Board meeting 1st May 2013

7. Governance

7a Memorandum and Articles of Association

- Trustees unanimously approved the adoption of the revised Memorandum and Articles of Association. These were signed by Trustees in preparation for submission to Companies House and the Charity Commission
- Paper Memorandum of Association
- Paper Articles of Association
- Paper Byelaws

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