

**ARTICLES OF ASSOCIATION
OF
CHILDREN'S MIRACLE NETWORK UK**

*Incorporated on. 6th June 2007
As amended by Special Written Resolution dated 13th November 2010*

Company No 6270698
Charity No: 1119962

FRIDAY



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COMPANIES HOUSE

COMPANIES ACTS 1985 & 1989
COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
OF
CHILDREN'S MIRACLE NETWORK UK

1 MEMBERSHIP

- 1.1 The number of members with which the Charity proposes to be registered is one.
- 1.2 The Charity must maintain a register of members.
- 1.3 The first member of the Charity shall be the subscriber to the Memorandum
- 1.4 Membership is terminated if the member concerned gives written notice of resignation to the Charity.
- 1.5 Membership of the Charity is not transferable
- 1.6 Any organisation which is a member of the Charity may by resolution of its council or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Charity, and the person so authorised shall be entitled to exercise the same powers on behalf of the organisation which he or she represents as the organisation could exercise if it were an individual member of the Charity

2. GENERAL MEETINGS OF MEMBERS

- 2.1 Members are entitled to attend general meetings. General meetings are called on at least 28 clear days written notice specifying the business to be discussed (or on such other period as specified by the Companies Acts)
- 2.2 There is a quorum at a general meeting if the number of members or authorised representatives personally present is at least 1
- 2.3 Except where otherwise provided by the Companies Acts every issue is decided by a majority of the votes cast.
- 2.4 Every member present in person has one vote on each issue.
- 2.5 An EGM may be called at any time by the Trustees and must be called within 28 days on a written request from at least one tenth of the members (or such other period as specified by the Companies Acts)

3 THE TRUSTEES

- 3.1 The Trustees as charity trustees have control of the Charity and its property and funds.
- 3.2 The Trustees when complete shall consist of at least 3 but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum

- 3.3 The first Trustees of the Charity are those named in the statement submitted to the registrar of companies on incorporation of the Charity.
- 3.4 Every Trustee must sign a declaration of willingness to act as a charity trustee of the Charity before he or she is eligible to vote at any meeting of the Trustees
- 3.5 Subsequent Trustees shall be appointed by ordinary resolution of the members for such terms as the members shall think fit, not exceeding in aggregate 9 years from the date of his or her original appointment. Thereafter a Trustee shall only be eligible for re-appointment following the expiration of 1 year.
- 3.6 A Trustee's term of office automatically terminates if he or she:
 - 3.6.1 is disqualified under the Charities Act 1993 from acting as a charity trustee;
 - 3.6.2 is incapable, whether mentally or physically, of managing his or her own affairs;
 - 3.6.3 is absent from 3 consecutive meetings of the Trustees without a reason acceptable to the Trustees,
 - 3.6.4 resigns by written notice to the Trustees (but only if at least 2 Trustees will remain in office); or
 - 3.6.5 is removed by resolution passed by the members present and voting at a general meeting after the meeting has invited the views of the Trustee concerned and considered the matter in the light of any such views
- 3.7 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting

4. PROCEEDINGS OF TRUSTEES

- 4.1 The Trustees must hold at least 1 meeting each year
- 4.2 A quorum at a meeting of the Trustees is 2 Trustees
- 4.3 A meeting of the Trustees may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all the other participants simultaneously.
- 4.4 The Chairman or (if the Chairman is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting
- 4.5 Every issue may be determined by a simple majority of the votes cast at a meeting but a written resolution signed by all the Trustees is as valid as a resolution passed at a meeting (and for this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature).
- 4.6 Except for the chairman of the meeting, who has a second or casting vote, every Trustee has one vote on each issue.
- 4.7 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting

5 POWERS OF TRUSTEES

The Trustees have the following powers in the administration of the Charity:

- 5.1 to appoint (and remove) any person (who may be a Trustee) to act as Secretary to the Charity in accordance with the Companies Acts;
- 5.2 to appoint a Chairman, Treasurer and other honorary officers from among their number,
- 5.3 to delegate any of their functions to committees consisting of 2 or more individuals appointed by them (but at least 1 member of every committee must be a Trustee and all proceedings of committees must be reported promptly to the Trustees),
- 5.4 to make standing orders consistent with the Memorandum, these Articles and the Companies Acts to govern proceedings at general meetings,
- 5.5 to make rules consistent with the Memorandum, these Articles and the Companies Acts to govern proceedings at their meetings and at meetings of committees;
- 5.6 to make regulations consistent with the Memorandum, these Articles and the Companies Acts to govern the administration of the Charity and the use of its seal (if any),
- 5.7 to establish procedures to assist the resolution of disputes within the Charity, and
- 5.8 to exercise any powers of the Charity which are not reserved to a general meeting

6 RECORDS & ACCOUNTS

- 6.1 The Trustees must comply with the requirements of the Companies Acts and of the Charities Act 1993 as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the Commission of:
 - 6.1.1 annual reports,
 - 6.1.2 annual returns, and
 - 6.1.3 annual statements of account
- 6.2 The Trustees must keep proper records of
 - 6.2.1 all proceedings at general meetings;
 - 6.2.2 all proceedings at meetings of the Trustees,
 - 6.2.3 all reports of committees; and
 - 6.2.4 all professional advice obtained
- 6.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any reasonable time during normal office hours and may be

made available for inspection by members who are not Trustees if the Trustees so decide

- 6.4 A copy of the Charity's latest available statement of account must be supplied on request to any Trustee or member, or to any other person who makes a written request and pays the Charity's reasonable costs, within 2 months.

7. NOTICES

- 7.1 Notices under these Articles may be sent by hand, or by post or by suitable electronic means or (where applicable to members generally) may be published in any suitable journal or national newspaper circulating in area of benefit or any newsletter distributed by the Charity.

- 7.2 Subject to 7.3 below the only address at which a member is entitled to receive notices is the address shown in the register of members.

- 7.3 A member whose registered address is not within the United Kingdom and who gives to the Charity an address whether within the United Kingdom or outside it at which notices may be given to him or her shall be entitled to have notices given to him or her at that address but otherwise no such member shall be entitled to receive any notice from the Charity.

- 7.4 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:

7.4.1 24 hours after being sent by electronic means or delivered by hand to the relevant address (or such other period as specified by the Companies Acts);

7.4.2 2 clear days after being sent by first class post to that address,

7.4.3 3 clear days after being sent by post to that address,

7.4.4 on the date of publication of a newspaper containing the notice;

7.4.5 on being handed to the member personally or if earlier; or

7.4.6 as soon as the member acknowledges actual receipt

- 7.5 A technical defect in the giving of notice of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

8. INDEMNITY

Subject to the provisions of the Companies Acts every Trustee or other officer or auditor of the Charity shall be indemnified out of the assets of the Charity against any liability incurred by him or her in that capacity in defending any proceedings whether civil or criminal in which judgement is given in his or her favour or in which he or she is acquitted or in connection with any application in which relief is granted to him or her by the court from liability for negligence default breach of duty or breach of trust in relation to the affairs of the Charity.

9. DISSOLUTION

The provisions of the Memorandum relating to dissolution of the Charity take effect as though repeated here.

10. INTERPRETATION

In the Memorandum and in these Articles:

10 1 **"these Articles"** means these articles of association;

"Chairman" means the chairman of the Trustees;

"the Charity" means the company governed by these Articles;

"charity trustee" has the meaning prescribed by section 97(1) of the Charities Act 1993;

"clear day" means 24 hours from midnight following the relevant event;

"the Commission" means the Charity Commissioners for England and Wales;

"the 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

"EGM" means an extraordinary general meeting of the Charity,

"financial expert" means an individual, company or firm who is an authorised person or an exempted person within the meaning of the Financial Services and Markets Act 2000;

"Foundation" means the Children's Miracle Network; a United States of America, State of Utah Non-profit Corporation, and a charitable organization qualified under Section 501 (C) (3) of the United States Internal Revenue Code, with its principal office at 4525 - South 2300 East, Salt Lake City, Utah 84117 USA; and its successors in title;

"material benefit" means a benefit which may not be financial but has a monetary value,

"member" and **"membership"** refer to membership of the Charity,

"Memorandum" means the Charity's memorandum of association,

"month" means calendar month,

"the Objects" means the Objects of the Charity as defined in clause 3 of the Memorandum;

"Secretary" means the Secretary of the Charity;

"taxable trading" means carrying on a trade or business on a continuing basis for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects and the profits of which are liable to tax;

"Trustee" means a director of the Charity and **"Trustees"** means all of the directors;

"written" or **"in writing"** refers to a legible document on paper including a fax message and also any communication sent by e-mail; and

"year" means calendar year

- 10.2 Throughout the Memorandum and these Articles a "charitable purpose" is a purpose that is regarded as charitable both in the law of England and Wales and in the law of Scotland, and the term "charitable" is to be interpreted in accordance both with the law of England and Wales and the law of Scotland.
- 10.3 Expressions defined in the Companies Acts have the same meaning.
- 10.4 References to an Act of Parliament are to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it

COMPANIES ACTS 1985 & 1989
COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL
MEMORANDUM OF ASSOCIATION
OF
CHILDREN'S MIRACLE NETWORK UK

1 NAME

The name of the company is **CHILDREN'S MIRACLE NETWORK UK** ("the Charity")

2. REGISTERED OFFICE

The registered office of the Charity is to be in England and Wales

3. OBJECTS

The objects of the Charity are to relieve sickness and to preserve health of children and young adults throughout the world, in particular but without limitation by assisting with the provision of facilities, services and equipment not normally provided by the statutory authorities ("**the Objects**")

4. POWERS

The Charity has the following powers which may be exercised only in promoting the Objects

- 4 1 to promote or carry out research;
- 4.2 to provide advice,
- 4 3 to publish or distribute information;
- 4.4 to co-operate with other bodies;
- 4.5 to support, administer or set up other charities;
- 4.6 to raise funds, in particular but without limitation for the benefit of hospitals in England Wales Scotland and Northern Ireland, (but not by means of taxable trading) and in its discretion to disclaim any particular contribution;
- 4.7 to borrow money and give security for loans (but only in accordance with the restrictions imposed by the Charities Act 1993),
- 4.8 to acquire or hire property of any kind,
- 4 9 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act 1993),
- 4.10 to make grants or loans of money and to give guarantees provided that where any payment is made to the Treasurer or other proper official of a charity the receipt of such Treasurer or official shall be a complete discharge to the Trustees,

- 4.11 to set aside funds for special purposes or as reserves against future expenditure;
- 4.12 to deposit or invest funds in any manner (but to invest only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification) provided that the charity shall have power to retain any investments donated to it;
- 4.13 to delegate the management of investments to a financial expert, but only on terms that:
 - 4.13.1 the investment policy is set down in writing for the financial expert by the Trustees,
 - 4.13.2 every transaction is reported promptly to the Trustees;
 - 4.13.3 the performance of the investments is reviewed regularly with the Trustees;
 - 4.13.4 the Trustees are entitled to cancel the delegation arrangement at any time;
 - 4.13.5 the investment policy and the delegation arrangement are reviewed at least once a year;
 - 4.13.6 all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt,
 - 4.13.7 the financial expert must not do anything outside the powers of the Trustees,
- 4.14 to arrange for investments or other property of the Charity to be held in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) under the control of the Trustees or of a financial expert acting under their instructions and to pay any reasonable fee required;
- 4.15 to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required;
- 4.16 to insure the Trustees against the costs of a successful defence to a criminal prosecution brought against them as charity trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty,
- 4.17 subject to clause 5 to employ paid or unpaid agents staff or advisers,
- 4.18 to enter into contracts to provide services to or on behalf of other bodies,
- 4.19 to establish subsidiary companies to assist or act as agents for the Charity;
- 4.20 to pay the costs of forming the Charity, and
- 4.21 to do anything else within the law which promotes or helps to promote the Objects.

5. BENEFITS TO MEMBERS AND TRUSTEES

- 5.1 The property and funds of the Charity must be used only for promoting the Objects and do not belong to the members of the Charity but:
- 5.1.1 members who are not Trustees may be employed by or enter into contracts with the Charity and receive reasonable payment for goods or services supplied;
 - 5.1.2 members (including Trustees) may be paid interest at a reasonable rate on money lent to the Charity;
 - 5.1.3 members (including Trustees) may be paid a reasonable rent or hiring fee for property let or hired to the Charity; and
 - 5.1.4 individual members who are not Trustees but who are beneficiaries may receive charitable benefits in that capacity
- 5.2 A Trustee must not receive any payment of money or other material benefit (whether directly or indirectly) from the Charity except
- 5.2.1 as mentioned in clauses 4.16, 5.1.2, 5.1.3 or 5.3;
 - 5.2.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the Charity,
 - 5.2.3 an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
 - 5.2.4 payment to any company in which a Trustee has no more than a 1 per cent shareholding, or
 - 5.2.5 in exceptional cases, other payments or benefits (but only with the written approval of the Commission in advance).
- 5.3 Any Trustee (or any firm or company of which a Trustee is a member or employee) may enter into a contract with the Charity to supply goods or services in return for a payment or other material benefit but only if
- 5.3.1 the goods or services are actually required by the Charity,
 - 5.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in clause 5.4, or
 - 5.3.3 no more than one third of the Trustees are subject to such a contract in any financial year
- 5.4 Whenever a Trustee has a personal interest in a matter to be discussed at a meeting of the Trustees or a committee the Trustee concerned must:
- 5.4.1 declare an interest at or before discussion begins on the matter;
 - 5.4.2 withdraw from the meeting for that item unless expressly invited to remain in order to provide information;

5.4.3 not be counted in the quorum for that part of the meeting; and

5.4.4 withdraw during the vote and have no vote on the matter

5.5 This clause may not be amended without the prior written consent of the Commission.

6. LIMITED LIABILITY

The liability of members is limited.

7. GUARANTEE

Every member promises if the Charity is dissolved while he she or it remains a member or within 12 months afterwards to contribute up to £1 towards the costs of dissolution and the liabilities incurred by the Charity while the contributor was a member.

8 DISSOLUTION

8.1 If the Charity is dissolved the assets (if any) remaining after provision has been made for all its liabilities including pensions or allowances to retired employees of the Charity in accordance with any pension scheme in force at the date of liquidation must be applied to the Foundation for its general charitable purposes but if the Foundation shall have ceased to exist then it may be applied:-

8.1.1 by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects,

8.1.2 directly for the Objects or charitable purposes within or similar to the Objects; or

8.1.3 in such other manner consistent with charitable status as the Commission approve in writing in advance.

8.2 A final report and statement of account must be sent to the Commission.

9. INTERPRETATION

9.1 Words and expressions defined in the Articles have the same meanings in this Memorandum.

9.2 References to an Act of Parliament are references to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.