

**Company No: 7570620**

**The Companies Act 2006  
PRIVATE COMPANY LIMITED BY GUARANTEE  
WRITTEN RESOLUTION  
of**

**THE FLEET AIR ARM MUSEUM CLG LIMITED (the "Company")**

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following was passed as a special resolution on 21 June 2011

**SPECIAL RESOLUTION**

That the articles of association attached to this resolution be adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association



Director

SATURDAY



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COMPANIES HOUSE

**THE COMPANIES ACT 2006**  
**COMPANY LIMITED BY GUARANTEE**  
**ARTICLES OF ASSOCIATION OF**  
**THE FLEET AIR ARM MUSEUM CLG LIMITED**

- 1     **The company's name is** The Fleet Air Arm Museum CLG Limited (and in this document it is called the "Charity")

**Interpretation**

- 2     In the Articles -

"address" means a postal address or for the purposes of electronic communication, a fax number, an email 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 these Articles,

"clear days" in relation to the period of a notice means the 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) in so far as they apply to the Charity

"the Corporate Member" means the National Museum of the Royal Navy, a company registered in England and Wales with number 06699696 and a charity with registration number 1126283 and its successors from time to time

"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

"electronic form" has the meaning given in Section 1168 of the Companies Act 2006

"the Memorandum" means the Charity's Memorandum of Association,

"the Museum Director" means the principal executive officer of the Charity from time to time and by whatever title known, as defined by Article 61,

"Nominated Director" means the Director of the Charity appointed in accordance with Article 31 from time to time,

"officers" includes the Directors and secretary,

"Reserved Matters" means those matters set out at Article 59,

"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 includes the plural and vice versa

Unless the context otherwise requires words or expressions contained in these 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

### **Liability of Members**

3

- (1) The liability of the members is limited
- (2) Every member of the Charity promises, if the Charity is dissolved while he or she or it is a member or within twelve months after he or she or it ceases to be a member, to contribute such sum (not exceeding £10) as may be demanded of him or her or it towards the payment of the debts and liabilities of the Charity incurred before he or she or it ceases to be a member, and of the costs charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves

### **Objects**

4 The Charity's objects ("the Objects") are specifically restricted to the following -

- (1) To educate and inspire the public and all members of the Armed Forces as to the history and current activities of the Royal Naval Air Service and the Fleet Air Arm and their contribution to Defence and in particular but without prejudice to the generality of the foregoing -

To maintain, develop and manage, for public benefit, a collection of aircraft, technical artefacts, related documents and general exhibits which relate to and record the history of British naval aviation. The collection thus created will be known as "The Fleet Air Arm Collection" and will be predominantly related to the Royal Naval Air Service and Fleet Air Arm, but will also comprise a small proportion of material which will help to place naval aviation into the general history of aviation and of the Naval Service

- (2) To make the Fleet Air Arm Collection accessible to all members of the general public and the Naval Service through but not limited to physical and electronic displays, presentations and services so as to contribute to the education, enlightenment, enjoyment and inspiration of all users of the collection, and to enhance their understanding of naval, naval aviation and military history, the technologies of

aviation, and their social contexts, and other matters relating to the defence of the realm, at every level

- (3) (a) To demonstrate to members of the Naval Service and Auxiliary Services related thereto an important aspect of the history of which they are now a part and in particular, the evolution and development of naval aviation, its history, deeds and traditions so as to kindle their interest to inspire them through the traditions of the Naval Service and to foster esprit de corps in aid of military efficiency and retention
- (b) To make this history as referred to above in this Article available and accessible to members of other Services
- (4) To provide an attractive history, display and collection which has a wide popular appeal to civilians in order to keep the Naval Service in the public eye and to act as a valuable recruiting aid to the Naval Service in general and to the Fleet Air Arm in particular and through the interpretation of the technology elements of the Fleet Air Arm Collection to those industries involved in defence and aerospace
- (5) To contribute specifically presentations and activities to promote the education of children and young people under the National Curriculum
- (6) Reference to the Royal Naval Air Service or the Fleet Air Arm includes any successor, branch or organisation or activity of the Naval Service in or in connection with or involving the naval aviation
- (7) The Trustees must use the income and may use the capital of the Charity in promoting the Objects

#### **Powers**

- 5 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 substantial 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 and equip it for use,
  - (3) (a) 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,
  - (b) in so far as it is consistent with the obligation placed upon the Directors under charity and company law, to comply with the ethical standards set by the Museums Association in respect of disposals of collections wherever possible but so that in the event of any discrepancy or inconsistency between such standards and these Articles the Articles shall have precedence

- (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. 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 the Objects,
- (7) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity formed for any of the Objects,
- (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 clause 6 and provided it complies with the conditions in that clause,
- (10) to -
  - (a) deposit or invest funds,
  - (b) employ a professional fund-manager, and

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) (a) The Directors may appoint as the Investment Manager for the Charity a person who they are satisfied after enquiry is a proper and competent person to act in that capacity and who is an authorised or an exempt person within the meaning of the Financial Services and Markets Act 2000 otherwise than exempted by virtue of paragraphs 44 and 45 of the Financial Services and Markets Act 2000 (Exemption Order 2001). The Directors may delegate to an Investment Manager so appointed at his discretion to buy and sell investments for the Charity in accordance with the investment policy laid down by the Directors from time to time.

Provided that where the Directors make any such delegation they shall -

- (i) inform the Investment Manager in writing of the extent of the Charity's investment powers and the terms of the delegation,
- (ii) lay down a detailed investment policy for the Charity and immediately inform the Investment Manager in writing of it and of any changes to it,
- (iii) ensure that they are kept informed of and review on a regular basis, the performance of their investment portfolio managed by the Investment Manager and on the exercise by him of his delegated authority,

- (iv) take all reasonable care to ensure that the Investment Manager complies with the terms of the delegated authority, and
  - (v) pay such reasonable and proper remuneration to the Investment Manager and agree such proper terms as to notice and other matters as the Directors may decide PROVIDED THAT such remuneration may include commission fees and/or expenses earned by the Investment Manager if and only to the extent that such commission fees and/or expenses are disclosed to the Directors
- (12) The Directors may -
- (a) make such arrangements as they think fit for any investments of the Charity or income from those investments to be held by a corporate body as the Charity's nominee, and
  - (b) pay reasonable and proper remuneration to any corporate body acting as the Charity's nominee in pursuance of this Article
- (13) to provide indemnity insurance for the Directors in accordance with and subject to the conditions in Section 73F of the Charities Act 1993,
- (14) 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,

### **Application of Income and Property**

#### **Universal clauses**

6

- (1) The income and property of the Charity shall be applied solely towards the promotion of the Objects
- (2)
  - (a) A Director is entitled to be reimbursed from the property of the Charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Charity
  - (b) A Director 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) A Director may receive an indemnity from the Charity in the circumstances specified in Article 56
- (3) None of the income or property of the Charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Charity This does not prevent a member who is not also a Director receiving
  - (a) a benefit from the Charity in the capacity of a beneficiary of the Charity,

- (b) reasonable and proper remuneration for any goods or services supplied to the Charity

#### **Director's benefits**

#### **Provision of goods and services, employment, other remuneration/financial benefits - Directors/connected persons**

- (4)(A) No Director or connected person may
  - (a) buy any goods or services from the Charity on terms preferential to those applicable to members of the public,
  - (b) sell goods, 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
  - (i) the payment is permitted by Article 6(4)(B) or 6(4)(C)(a), or
  - (ii) the Directors obtain the prior written approval of the Commission and fully comply with any procedures it prescribes

#### **Payment of Museum Director who is also a Director**

- (4)(B) Notwithstanding any other provision of these Articles, the Museum Director may be remunerated by salary, pension, contributions or fees or receive other benefits in money or money's worth from the Charity albeit that he or she is a Director, but only if
  - (a) the duties carried out or services provided by the remunerated Museum Director are actually required by the Charity for the attainment of its Objects,
  - (b) that the nature and level of the fees or remuneration paid to the Museum Director is reasonable in relation to the services he or she has provided and the resources of the Charity,
  - (c) that prior to any payment being made to him or her an appropriate written contract is concluded between the Museum Director and the Charity containing the full details of his or her duties and obligations to the Charity the amount of remuneration payable to him or her and all other relevant terms and conditions and that copies of all such contracts are retained by the Charity for inspection by any authorised person,
  - (d) that provisions of Articles 44 and 45 are observed in relation to any discussions of the Directors concerning the Museum Director's interest, his or her remuneration or any variation of his or her remuneration

## **Scope and powers permitting Directors'/connected persons' benefits**

### **(4)(C) (a)**

- (i) A Director or connected person may receive a benefit from the Charity in the capacity of a beneficiary of the Charity
- (ii) A Director or connected person may 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
- (iii) Subject to Article 6(4)(D) a Director or connected person may provide the Charity with goods that are not supplied in connection with services provided to the Charity by the Director or connected person
- (iv) A Director or connected person may receive interest on money lent to the Charity at a reasonable and proper rate which must be 2% (or more) per annum below the base rate of a clearing bank to be selected by the Directors
- (v) A Director or connected person may receive rent for premises let by the Director or connected person to the Charity if the amount of the rent and the other terms of the lease are reasonable and proper and provided that the Director concerned shall withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion
- (vi) The Directors may arrange for the purchase, out of the funds of the Charity, of insurance designed to indemnify the Directors in accordance with the terms of, and subject to the conditions in, section 73F of the Charities Act 1993
- (vii) A Director or connected person may 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**

- (4)(D) The Charity and its Directors may only rely upon the authority provided by Article 6(4)(C)(a)(iii) 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
    - (i) the Charity or its Directors (as the case may be), and
    - (ii) 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 the Directors then in office are not in receipt of remuneration or payments authorised by Article 6(4)(A).
- (5)
- (a) In sub-clauses (2)-(4) of this Article 6 "Charity" shall include any company in which the Charity
    - holds more than 50% of the shares, or
    - controls more than 50% of the voting rights attached to the shares, or
    - has the right to appoint one or more Directors to the Board of the company,
  - (b) In sub-clause (4) of this Article 6, sub-clause (2) of Article 45 and sub-clause (2) of Article 46 "connected person" means
    - (i) a child, parent, grandchild, grandparent, brother or sister of the Director,
    - (ii) the spouse or civil partner of the Director or of any person falling within paragraph (i) above,
    - (iii) a person carrying on business in partnership with the Director or with any person falling within paragraph (i) or (ii) above,
    - (iv) an institution which is controlled -
      - (i) by the Director any connected person falling within paragraph (i), (ii), or (iii) above, or
      - (ii) by two or more persons falling within sub-paragraph (i), when taken together
    - (v) a body corporate in which -
      - (i) the Director or any connected person falling within paragraphs (i) to (iii) has a substantial interest, or

- (II) two or more persons falling within sub-paragraph (I) who, when taken together, have a substantial interest

- (c) Paragraphs 2 to 4 of Schedule 5 to the Charities Act 1993 apply for the purposes of interpreting the terms used in this sub-clause

## **Members**

7

- (1) The subscribers to the memorandum are the first members of the Charity
- (2) The Corporate Member shall be a member of the Charity
- (3) Membership is open to other individuals or organisations who
  - (a) apply to the Charity in the form required by the Directors, and
  - (b) are approved by the Directors and the Corporate Member (the approval of the Corporate Member not to be unreasonably withheld or delayed)
- (4) Membership is not transferable
- (5) The Directors must keep a register of names and addresses of the members

## **Classes of Membership**

8

- (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 or 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

## **Termination of Membership**

9 Membership is terminated if

- (1) The member dies or, if it is an organisation, 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 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 to be 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
- (5) Provided that the membership of the Corporate Member may only be terminated in accordance with Articles 9(1) and 9(2) or if the Corporate Member ceases to be a charity in England and Wales

### **General Meetings**

10

- (1) The Charity must hold its first annual general meeting within eighteen months after the date of its incorporation
  - (2) An annual general meeting must be held in each subsequent year and not more than fifteen months may elapse between successive annual general meetings
- 11 The Directors or the Corporate Member may call a general meeting at any time, and set the agenda including resolutions to be proposed thereat

### **Notice of General Meetings**

12

- (1) The minimum periods of notice required to hold an 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 by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting 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 to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and Article 19
- (4) The notice must be given to all the members and to the Directors and ex officio directors and the President and auditors

- 13 The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the Charity

#### **Proceedings at General Meetings**

14

- (1) No business shall be transacted at any general meeting unless a quorum is present
- (2) At a meeting where any resolution affecting a Reserved Matter is proposed, the quorum is an authorised representative of the Corporate Member whose identity has been advised to the Charity pursuant to Article 23 (unless the Chair has received a written waiver from the Corporate Member) and
  - (a) Three members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting, or
  - (b) One third of the total membership at the time,whichever is the greater
- (3) At any meeting not falling within Article 14(2), the 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 third of the total membership at the time, whichever is the greater
- (4) The authorised representative of a member organisation shall be counted in the quorum

15

- (1) If
  - (a) a quorum is not present within half an hour from the time appointed for the meeting, or
  - (b) 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 at that time shall constitute the quorum for that meeting but such reconvened meeting shall not be quorate to pass any resolution affecting a Reserved Matter unless
  - (a) the members present include an authorised representative of the Corporate Member, or
  - (b) the Charity has received a written waiver from the Corporate Member

16

- (1) General meetings shall be chaired by the person who has been appointed to chair meetings of the Directors and who shall be a former serving naval aviator of senior rank
- (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

17

- (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

18

- (1) Any vote at a meeting shall be decided by a show of hands unless before, or on the 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,

except that, where a resolution affects a Reserved Matter, a poll will be deemed to have been demanded

- (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 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 who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll
  - (b) The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded
- (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
  - (b) 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
  - (c) The poll must be taken within thirty days after it has been demanded
  - (d) 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
  - (e) If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting

#### **Content of Proxy Notices**

19

- (1) Proxies may only validly be 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 that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

### **Delivery of Proxy Notices**

19A

- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Charity by or on behalf of that person
- (2) An appointment under a proxy notice may be revoked by delivering to the Charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointer's behalf

### **Written Resolutions**

20

- (1) A resolution in writing of the members shall be effective provided that -
  - (a) a copy of the proposed resolution has been sent to every eligible member, and
  - (b) where an ordinary resolution relates to a Reserved Matter, the Corporate Member acting in the best interests of the Charity has signified its agreement to the resolution (or in the case of a special resolution relating to a Reserved Matter the Corporate Member and at least half of the other members have done so), or
  - (c) where the resolution does not relate to a Reserved Matter, a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution, and
  - (d) 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 organisation, its authorised representative may signify its agreement

### **Votes of Members**

- 21 Subject to Articles 8 and 20, every member whether an individual or an organisation which is a member of the Charity ("member organisation") shall have one vote except that where a

vote relates to a Reserved Matter the Corporate Member shall be entitled to cast, and shall have available to cast, such number of votes as shall equal the number of other votes that are entitled to be cast plus one

22 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

23

- (1) Any member organisation may nominate any person to act as its representative at any meeting of the Charity
- (2) The member organisation must give written notice to the Charity of the name of its representative. The representative shall not be entitled to represent the member organisation at any meeting unless the notice has been given to the Charity pursuant to the Articles. The representative may continue to represent the member organisation until written notice to the contrary is received by the Charity from the member organisation
- (3) Any notice given to the Charity by the member organisation will be conclusive evidence that the representative is entitled to represent the member organisation 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 member organisation

#### **Directors**

24

- (1) A Director must be a natural person aged 18 years or older
- (2) No one may be appointed a Director if he or she would be disqualified from acting under the provisions of Article 36

25 The number of Directors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum

26

- (1) The first Directors shall be those persons notified to Companies House as the first Directors of the Charity which shall include the Nominated Director
- (2) Subject to Article 26(1), the Directors shall comprise those Directors appointed in accordance with Articles 31 to 35, which shall include the Nominated Director, and may comprise the Museum Director whose appointment shall be ex officio in nature so that in the event of such appointment,
  - (a) an individual appointed as Museum Director shall remain a Director only until he or she shall cease to be the Museum Director, and
  - (b) the appointment and retirement provisions of Articles 29 to 35 shall not apply to the Museum Director

27

- (1) Subject to Article 31(2), a Director may not appoint an alternate Director or anyone to act on his or her behalf at meetings of the Directors
- (2) The following shall (in so far as their appointments are permitted by law) be appointed as ex officio directors of the Charity -



- (a) the Commanding Officer Royal Naval Air Service Yeovilton or the successor to such post from time to time
- (b) the Commanding Officer Royal Naval Air Service Culdrose or the successor to such post from time to time
- (c) the Assistant Chief of Staff Carrier Strike and Aviation or the successor to such post from time to time
- (d) the Director of Logistics (Rotary Wing) or the successor to such post from time to time, and
- (e) the Assistant Head of Joint Manoeuvre/ISTAR or the successor to such post from time to time

and in each case all shall be entitled to attend the meetings of Directors of the Charity and all shall have one vote each

#### **Powers of Directors**

28

- (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 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**

29 At the first annual general meeting all the Directors must 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

30

- (1) The Directors to retire by rotation shall be those who have been longest in office since their last appointment. 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) A Director may be re-elected but can serve no more than two consecutive periods of five years each unless the other remaining Directors consider that the Director in question has a major involvement in a project of the Charity which he or she alone can fulfil when the Director may be invited to stand for a further period of no more than two years
- (3) If a Director is required to retire at an annual general meeting by a provision of the Articles the retirement shall take effect upon the conclusion of the meeting

Provided that the provisions of Articles 27, 29 and 30 shall not apply to the Nominated Director

Provided Further that Articles 29 and 30 shall not apply to those ex officio directors appointed under Articles 27(2)(a)-(e)

### **Appointment of Directors**

31

- (1) The Charity may by ordinary resolution -
  - (a) appoint a person who is willing to act to be a Director, and
  - (b) determine the rotation in which any additional Directors are to retire
- (2) Subject to Article 24, the Corporate Member may by written notice to the Charity at any time appoint and replace a person to be a Director ("the Nominated Director") The Nominated Director may by written notice to the Charity at any time appoint one person to act as his/her alternate and attend and vote at any meeting or meetings in his/her place
- (3) This Article 31 shall not apply to those ex officio directors nominated under Article 27(2)

32 No person other than a Director retiring by rotation (or the nominee of the Corporate Member under Article 31(2)) shall be appointed or reappointed a Director at any general meeting unless

- (1) he or she is recommended for re-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 a 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

33 All members who are entitled to receive notice of a general meeting must be given not less than seven or 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

34

- (1) The Directors may appoint a person who is willing to act to be a Director
- (2) A Director appointed by a resolution of the other Directors must retire at the next annual general meeting and must not be taken into account in determining the Directors who are to retire by rotation

- 35 The appointment of a Director, whether by the Charity in general meeting or by the other Directors, must not cause the number of Directors to exceed any number fixed as the maximum number of Directors

#### **Disqualification and Removal of Directors**

- 36 A Director shall cease to hold office if he

- (1) ceases to be a Director by virtue of any provisions in the Companies Acts or as prohibited by law from being a director,
- (2) is disqualified from acting as a Director by virtue of Section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision),
- (3) becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs,
- (4) 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
- (5) is absent without the permission of the Directors from all of their meetings held within a period of six consecutive months and the Directors resolve that his or her office be vacated,

Provided that the Nominated Director shall not cease to hold office by reason of sub-clause (5) in this Article

#### **Remuneration of Directors**

- 37 The Directors must not be paid any remuneration unless it is authorised by Article 6

#### **Proceedings of Directors**

- 38

- (1) The Directors may regulate their proceedings as they think fit, subject to the 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 an equality of votes, the person who is 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

- 39

- (1) No decision may be made by a meeting of the Directors unless a quorum is present at the time the decision is purported to be made "Present" includes being present by suitable electronic means agreed by the Directors in which a participant or participants may communicate with all the other participants

- (2) Subject to Article 39(3) the quorum shall be two Directors or the number nearest to one third of the total number of Directors, whichever is the greater, or such larger number subject as set out above as may be decided from time to time by the Directors
- (3) If the Corporate Member shall so notify the Charity in writing not more than 5 working days after receipt by the Corporate Member of the final Agenda for such meeting or not less than 5 working days before such meeting whichever shall be the later then that meeting shall not be quorate unless the Nominated Director or his/her alternate is present
- (4) 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
- 40 If the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting
- 41
- (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
- (A)
- (a) All or any of the Directors or any committee of the Directors may participate in a meeting of the Directors or that committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear and speak to each other throughout the meeting
- (b) A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly
- (c) Such a meeting shall be deemed to take place where the largest group of those participating is assembled or if there is no such group where the Chairman is
- 42
- (1) A resolution in writing or in electronic form agreed by all of the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors or (as the case may be) a committee of Directors duly convened and held provided that
- each Director has signified its agreement to the resolution in an authenticated document or documents which are received at the registered office within the period of 28 days beginning with the circulation date

- (2) The 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 their agreement
- (3) The Directors must ensure that the Charity keeps a record in writing for at least 10 years from the date of the decision recorded of every decision taken by the Directors

#### **Delegation**

43

- (1) The Directors may delegate any of their powers or functions to a committee of three or more Directors but the terms of any delegation must be recorded in the minute book
- (2) The Directors shall 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 revoke or alter a delegation
- (4) All acts and proceedings of any committees must be fully and promptly reported to the Directors

#### **Declaration of Directors Interests**

- 44 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 Directors in which it is possible that a conflict will arise between his 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)

#### **Conflicts of Interest**

45

- (1) If a conflict of interest arises for a Director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the Articles, the unconflicted Directors may authorise such a conflict of interest 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 other organisation 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 at the meeting, and
  - (c) the unconflicted Directors consider it is in the interest of the Charity to authorise the conflict of interests in the circumstances applying

- (2) In this Article a conflict of interest arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a Director or to a connected person
- (3) If a conflict of interest arises for any Director because of a duty of loyalty owed to The Fleet Air Arm Museum (registered charity number 250079) in the context of the Charity's acquisition of the Fleet Air Arm Collection (and other assets) from that Museum, such conflict is authorised by these articles and each Director may participate in any discussions about, and vote in relation to, that acquisition
- (4) Subject to Section 175 of the Companies Act 2006 no conflict of interest shall arise for the Nominated Director (or his or her alternate) because of a duty of loyalty owed to the Corporate Member or because of the Nominated Director's relationship with the Corporate Member and the Nominated Director shall be entitled to attend any meeting, form part of any quorum and vote on any resolutions affecting the Corporate Member This Article 45(3) shall cease to apply immediately if the Corporate Member ceases to be a charity in England and Wales

#### **Validity of Directors' Decisions**

46

- (1) Subject to Article 46(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 a conflict 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 the Directors at a quorate meeting
- (2) Article 46(1) does not permit a Director or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the Directors or of a committee of Directors if, but for Article 46(1), the resolution would have been void, or if the Director has not complied with Article 44

#### **Seal**

- 47 If the Charity has a seal it must only be used by the authority of the Directors or of a committee of Directors authorised 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 by the secretary (if any) or by a second Director

#### **Minutes**

- 48 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 decisions

#### **Accounts**

49

- (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

#### **Annual Report and Return and Register of Charities**

50

- (1) The Directors must comply with the requirements of the Charities Act 1993 with regard to the
  - (a) transmission of the statements of account to the Charity,
  - (b) preparation of an Annual Report and its transmission 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**

51

- (1) Subject to the Articles anything sent or supplied by or to the Charity under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Charity
- (2) Subject to the Articles any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being

52 Any notice to be given to or by any person pursuant to the Articles

- (1) must be in writing, and

- (2) may be given in electronic form

53

- (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 or her 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
- (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

(A)

- (a) The Charity may send any notice, document or other information to members by making them available on the Charity's website provided that -
  - (i) each member has been asked individually by the Charity to agree to communication via the Charity's website (either generally or in relation to a specific notice, document or information),
  - (ii) the Charity's request states clearly that if the member fails to respond to the request within 28 days of the date on which the request is sent, he or she will be deemed to have given such consent, and
  - (iii) the Charity's request is not sent less than 12 months after a previous request made to the member in relation to a similar class of documents
- (b) The Charity must notify each member who has agreed to receive communications through the Charity's website or the presence of the information on the website, the website address, the place on the website where the information can be found and how to access the information
- (c) Any notice, document or information posted on the Charity's website must be in a form that the member can read and take a copy of. The notice, document or information must be available on the Charity's website for either 28 days from the date the notification was sent to the member or for such other period as may from time to time be specified in the Companies Act

- 54 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



55

- (1) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given
- (2) Proof that 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 communication, 48 hours after it was sent

### **Indemnity**

56

- (1) The Charity shall indemnify every Director against any liability incurred in successfully defending legal proceeding in that capacity, or in connection with any application in which relief is granted by the Court from liability for negligence, default or breach of duty or breach of trust in relation to the Charity
- (2) In this Article a "relevant director" means any Director or former Director of the Charity

56A The Charity may indemnify an auditor against any liability incurred by him or her or it

- (3) in defending proceedings (whether civil or criminal) in which judgment is given in his or her or its favour or he or she or it is acquitted, or
- (4) in connection with an application to Section 1157 of the Companies Act 2006 (power of Court to grant relief in case of honest and reasonable conduct) in which relief is granted to him or her or it by the Court

### **Rules**

57

- (1) The Directors may from time to time make such reasonable and proper rules or by laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Charity
- (2) The by laws may regulate the following matters but are not restricted to them -
  - (a) the admission of members of the Charity (including the admission of organisations 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 times or for any particular purpose or purposes,

- (d) the procedure at general meetings of the Directors and committees of the Directors in so far as such procedure is not regulated by the Act or the Articles,
  - (e) generally, all such matters as are commonly the subject matter of company rules
- (3) The Charity in general meeting shall have power to alter, add to or repeal the rules or byelaws
- (4) The Directors must adopt such means as they think sufficient to bring the rules and byelaws to the notice of members of the Charity
- (5) The rules or byelaws shall be binding on all members of the Charity No rule or byelaw shall be inconsistent with, or shall affect or repeal anything contained in the Articles

## **Dissolution**

58

- (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 any of them, or
  - (b) by transfer to any charity or charities for any purpose or 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 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 made for them shall on or before dissolution of the Charity be applied or transferred
  - (a) directly for the Objects or any of them, or
  - (b) by transfer to any charity or charities for any purpose or 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 58(1) or (2) is passed by the members or the Directors respectively the net assets of the Charity shall be applied for charitable purposes as directed by the Court or the Commission

59      The following matters are Reserved Matters

- (1)      the amendment or replacement of the articles of association of the Charity from time to time,
- (2)      the alteration or variation of any membership rights in accordance with Article 8,
- (3)      the appointment of any Director (other than those appointed under Article 26 and the Museum Director),
- (4)      the removal of a Director by ordinary resolution,
- (5)      the passing of a resolution to wind up the Charity or to apply or transfer its net assets in connection with the dissolution of the Charity (whether in accordance with Article 58 or otherwise),
- (6)      the sale, transfer, lease, assignment or other disposal of a material part of the undertaking, property and/or assets of the Charity, or the entry into a contract to do so,
- (7)      the change of name of the Charity

**President**

- 60      The Directors may from time to time appoint a person who has distinguished himself or herself in the Fleet Air Arm of the Royal Navy or in some other public office to be President of the Charity upon such terms as the Directors may think fit

**Museum Director**

61

- (1)      Subject to the provisions of the Act and Article 6 the Directors may appoint any person to be the Museum Director, provided that no serving Director may be appointed. Any such appointment, agreement or arrangement shall be made upon such terms as the Directors may determine
- (2)      The Museum Director shall serve as the principal executive officer of the Charity in accordance with the Articles, any rules introduced further to Article 57, and upon the terms prescribed by the Directors
- (3)      The Museum Director shall
  - (a)      carry out and supervise the day to day activities of the Charity,
  - (b)      keep the records of the Charity,
  - (c)      maintain proper financial records,
  - (d)      devise and observe systems of budgetary control, and
  - (e)      have delegated authority to apply the funds of the Charity in accordance with budgets which have been settled by the Directors
- (4)      If the office of Museum Director becomes vacant the Chairman shall nominate a suitable person to carry out the duties of the Museum Director until a meeting of the Directors can be convened and a new appointment can be made