

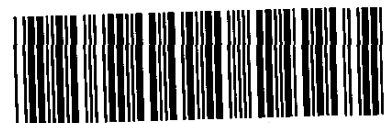
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The Companies Act 2006

Community Interest Company Limited by Shares

**Articles of Association of
Compass Wellbeing C.I.C.**

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**Articles of Association
of
Compass Wellbeing C.I.C.**

INTERPRETATION

1 . Defined terms

The Interpretation of these Articles IS governed by the provisions set out
In the Schedule to the Articles

COMMUNITY INTEREST COMPANY AND ASSET LOCK

2. Community Interest Company

The Company shall be a community Interest company

3. Asset Lock

3 1 The Company shall not transfer any of Its assets other than for full
consideration

3 2 Provided the conditions in Article 3 3 are satisfied, Article 3 1 shall not
apply to

- a) the transfer of assets to any specified asset-locked body, or (with
the consent of the Regulator) to any other asset-locked body;
- b) the transfer of assets made for the benefit of the community other
than by way of a transfer of assets into an asset-locked body;
- c) the payment of dividends in respect of shares in the Company;
- d) the distribution of assets on a winding up;
- e) payments on the redemption or purchase of the Company's own
shares;
- f) payments on the reduction of share capital; and
- g) the extinguishing or reduction of the liability of members in respect
of share capital not paid up on the reduction of share capital.

3.3 The conditions are that the transfer of:

- a) assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles of the Company; and
- b) must not exceed any limits imposed by, or by virtue of, Part 2 of the Companies (Audit, Investigations and Community Enterprise) Act 2004.

4. Not for profit

The Company IS not established or conducted for private gain any surplus or assets are used principally for the benefit of the community

OBJECTS, POWERS AND LIMITATION OF LIABILITY

5. Objects

The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to the provision of Primary and Community Care Psychology and Counselling Services

6. Powers

To further its objects the Company may do all such lawful things as may further the Company's objects and, in particular, but, without limitation, may borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds

7. Liability of shareholders

The liability of the shareholders IS limited to the amount, if any, unpaid on the shares held by them

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

8. Directors' general authority

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company

9. Shareholders' reserve power

- 9.1 The shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specific action
- 9.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution

10. Directors may delegate

- 10 1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles or the Implementation of their decisions or day to day management of the affairs of the Company
- (a) to such person or committee,
 - (b) by such means (Including by power of attorney),
 - (c) to such an extent,
 - (d) in relation to such matters or territories, and
 - (e) on such terms and conditions,
- as they think fit
- 10 2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated
- 10 3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions

DECISION-MAKING BY DIRECTORS

11. Directors to take decisions collectively

Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 17. In the event of the Company being a single director company, a majority decision is made when that single Director makes a decision. If the company only has one director the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

12. Calling a Directors' meeting

- 12 1 Two Directors may (and the Secretary, if any, must at the request of two Directors) call a Directors' meeting
- 12 2 A Directors' meeting must be called by at least seven Clear Days' notice unless either
- 12 2 1 all the Directors agree, or
 - 12 2 2 urgent circumstances require shorter notice
- 12 3 Notice of Directors' meetings must be given to each Director

12.4 Every notice calling a Directors' meeting must specify

12.4.1 the place, day and time of the meeting, and

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

12.5 Notice of Directors' meetings need not be in writing

12.6 Notice of Directors' meetings may be sent by electronic means to an address provided by the Director for the purpose

13. Participation in Directors' meetings

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

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

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

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

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

14. Quorum for Directors' meetings

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

14.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two, and unless otherwise fixed it is two

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

14.3.1 to appoint further Directors, or

14.3.2 to call a general meeting so as to enable the shareholders to appoint further Directors

15. Chairing of Directors' meetings

The Chair, if any, or in his or her absence another Director nominated by the Directors present shall preside as chair of each Directors' meeting

16. Voting

16 1 Questions arising at a Directors' meeting shall be decided by a majority of votes

16 2 In all proceedings of Directors each Director must not have more than one vote

16 3 In case of an equality of votes, the Chair shall have a second or casting vote

17. Decisions without a meeting

17 1 The Directors may take a unanimous decision without a Directors' meeting by Indicating to each other by any means, including without limitation by Electronic Means, that they share a common view on a matter Such a decision may, but need not, take the form of a resolution In Writing, comes of which have been signed by each Director or to which each Director has otherwise Indicated agreement In Writing

17 2 A decision which is made in accordance With Article 17 1 shall be as valid and effectual as If It had been passed at a meeting duly convened and held, provided the following conditions are complied with

17 2 1 approval from each Director must be received by one person being either such person as all the Directors have nominated in advance for that purpose or such other person as volunteers If necessary ("the Recipient"), which person may, for the avoidance of doubt, be one of the Directors,

17 2 2 following receipt of responses from all of the Directors, the Recipient must communicate to all of the Directors by any means whether the resolution has been formally approved by the Directors In accordance With this Article 17 2,

17 2 3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval,

17 2 4 the Recipient must prepare a minute of the decision in accordance With

Article 47

18. Conflicts of interest

- 18 1 Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a Conflict of Interest, he or she must declare his or her Interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already
- 18 2 If any question arises as to whether a Director has a Conflict of Interest, the question shall be decided by a majority decision of the other Directors
- 18 3 Whenever a matter is to be discussed at a meeting or decided In accordance With Article 18 and a Director has a Conflict of Interest In respect of that matter then, subject to Article 19, he or she must
 - 18 3 1 reman only for such part of the meeting as In the View of the other Directors IS necessary to Inform the debate,
 - 18 3 2 not be counted in the quorum for that part of the meeting, and
 - 18 3 3 withdraw during the vote and have no vote on the matter
- 18 4 When a Director has a Conflict of Interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Company by withholding confidential Information from the Company If to disclose It would result In a breach of any other duty or obligation of confidence owed by him or her

19. Directors' power to authorise a conflict of interest

- 19 1 The Directors have power to authorise a Director to be in a position of Conflict of Interest provided
 - 19 1 1 In relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply With Article 19,
 - 19 1 2 In authorising a Conflict of Interest, the Directors can decide the manner In which the Conflict of Interest may be dealt With and, for the avoidance of doubt, they can decide that the Director With a Conflict of Interest can participate In a vote on the matter and can be counted in the quorum,
 - 19 1 3 the decision to authorise a Conflict of Interest can Impose such terms as the Directors think fit and IS subject always to their right to vary or terminate the authorisation
- 19 2 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 20 1 then, even If he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed

- 19 3 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance With Article 20 1 (subject to any limits or conditions to which such approval was subject)

20. Register of Directors' interests

The Directors shall cause a register of Directors' Interests to be kept 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 Company or in any transaction or arrangement entered into by the Company which has not previously been declared

APPOINTMENT AND RETIREMENT OF DIRECTORS

21. Methods of appointing Directors

- 21 1 Those persons notified to the Registrar of Companies as the first Directors of the Company shall be the first Directors
- 21 2 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by a decision of the Directors

22. Termination of Director's appointment

A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006, or is prohibited from being a Director by law;
- (b) a bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect *similar to that of bankruptcy*;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms (but only if at least one Director will remain in office when such resignation has taken effect);
- (e) the Director fails to attend three consecutive meetings of the Directors and the Directors resolve that the Director be removed for this reason; or
- (f) at a general meeting of the Company, a resolution is passed that the Director be removed from office, provided the meeting has invited the

views of the Director concerned and considered the matter in light of such views.

23. Directors' remuneration

- 23 1 Directors may undertake any services for the Company that the Directors decide
- 23 2 Subject to the Articles and In particular Article 3 Directors are entitled to such remuneration as the Directors determine
- (a) for their services to the Company as Directors, and
 - (b) for any other service which they undertake for the Company
- 23 3 Subject to the Articles and In particular Article 3, a Director's remuneration may
- (a) take any form, and
 - (b) Include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or In respect of that Director
- 23 4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day
- 23 5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is Interested

24. Directors' expenses

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at

- (a) meetings of Directors or committees of Directors,
- (b) general meetings, or
- (c) separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities In relation to the Company

SHARES

25. All shares to be fully paid up and issued at nominal value

25 1 No share to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue

25 2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's Memorandum

25 3 No person exiting the company or organisation may maintain a shareholding

26. Powers to issue different classes of share

26 1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution. In this context the company will issue ordinary shares to immediate subscribers and then to all members. There will be 100 shares in total available of which 46 will be bought up shares

26 2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares

27. Company not bound by less than absolute interests

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it

28. Share certificates

28 1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds

28 2 Every certificate must specify

- (a) In respect of how many shares, of what class, it is issued,
- (b) the nominal value of those shares,
- (c) that the shares are fully paid, and

- (d) any distinguishing numbers assigned to them

28 3 No certificate may be issued in respect of shares of more than one class

28 4 If more than one person holds a share, only one certificate may be issued in respect of it

28 5 Certificates must

- (a) have affixed to them the Company's common seal, or
- (b) be otherwise executed in accordance with the Companies Acts

29. Replacement share certificates

29 1 If a certificate issued in respect of a shareholder's shares is

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed,

that shareholder is entitled to be issued with a replacement certificate in respect of the same shares

29 2 A shareholder exercising the right to be issued with such a replacement certificate

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
- (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide

30. Purchase of own shares

Subject to the articles, the Company may purchase its own shares (including any redeemable shares) and may make a payment in respect of the redemption or purchase of its own shares otherwise than out of the distributable profits of the Company or the proceeds of a fresh issue of shares. Any share so purchased shall be purchased at its nominal value.

31. Share Transfers

31 1 The Directors may refuse to register the transfer of a share to a person of whom they do not approve.

- 31 2 They may also refuse to register the transfer of a share to a person of whom they do not approve
- 31 3 They may also refuse to register the transfer unless it is lodged at the registered office of the Company or at such other place as the Directors may appoint and is accompanied by such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and by such other Information, as they may reasonably require
- 31 4 If the Directors refuse to register such a transfer, they shall, within two months after the date on which the transfer was lodged With the Company send to the transferee notice of the refusal
- 31 5 The provisions of this Article apply in addition to any restrictions on the transfer of a share which may be set out elsewhere In the Memorandum of Articles of the Company

DIVIDENDS AND OTHER DISTRIBUTIONS

32. Procedure for declaring dividends

- 32 1 Subject to the Companies Acts, the Regulations and the Articles, the Company may by ordinary resolution declare dividends, and the Directors may, provided that such decision is authorised by an ordinary resolution of the shareholders, decide to pay Interim dividends
- 32 2 For the avoidance of doubt the payment of dividends shall be considered to be a transfer of assets other than for full consideration and shall not be permitted other than in the circumstances prescribed In Article 3
- 32 3 A dividend must not be declared unless the Directors have made a recommendation as to its amount Such a dividend must not exceed the amount recommended by the Directors
- 32 4 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights
- 32 5 Unless the shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which shares are Issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay It
- 32 6 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear

32 7 The Directors may pay at Intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment

32 8 If the Directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred

33. Payment of dividends and other distributions

33 1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means

- (a) transfer to a bank or building society account indicated by the distribution recipient either in writing or as the Directors may otherwise decide,
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered Address (if the distribution recipient is a holder of the share), or (in any other case) to an Address indicated by the distribution recipient either in writing or as the Directors may otherwise decide,
- (c) sending a cheque made payable to such person by post to such person at such Address as the distribution recipient has indicated either in writing or as the Directors may otherwise decide, or
- (d) any other means of payment as the Directors agree with the distribution recipient either in writing or by such other means as the Directors decide

33 2 In the Articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable

- (a) the holder of the share, or
- (b) if the share has two or more joint holders, whichever of them is named first in the register of members, or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law

34. No interest on distributions

The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by

- (a) the terms on which the share was issued, or

- (b) the provisions of another agreement between the holder of that share and the Company

35. Unclaimed distributions

35 1 All dividends or other sums which are

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable,
may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed

35 2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it

35.3 If

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

36. Non-cash distributions

36 1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)

36 2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution

- (a) fixing the value of any assets,
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and
- (c) vesting any assets in trustees

37. Waiver of distributions

Distribution recipients may wave their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in Writing to that effect, but if

- (a) the share has more than one holder, or
- (b) more than one person IS entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share

CAPITALISATION OF PROFITS

38. Authority to capitalise and appropriation of capitalised sums

38 1 Subject to the Articles, the Directors may, if they are so authorised by an ordinary resolution

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions

38 2 Capitalised sums must be applied

- (a) on behalf of the persons entitled, and
- (b) in the same proportions as a dividend would have been distributed to them

38 3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct

38 4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct

38 5 Subject to the Articles the Directors may

- (a) apply capitalised sums in accordance With Articles 43 3 and 43 4 partly in one way and partly in another,
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (Including the Issuing of fractional certificates or the making of cash payments), and
- (c) authorise any person to enter into an agreement With the Company on behalf of all the persons entitled which IS binding on them In respect of the allotment of shares and debentures to them under this Article

DECISION-MAKING BY SHAREHOLDERS

39. Meetings

39 1 The Directors may call a general meeting at any time

39 2 General meetings must be held in accordance With the provisions regarding such meetings In the Companies Act

39 3 A person who is not a shareholder of the Company shall not have any right to vote at a general meeting of the Company, but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures

39 4 Article 44 3 shall not prevent a person who is a proxy for a member or a duly authorised representative of a member from voting at a general meeting of the Company

40. Written resolutions

40 1 Subject to Article 40 3, a written resolution of the Company passed in accordance with this Article 40 shall have effect as If passed by the Company In general meeting

40 1 1 A written resolution is passed as an ordinary resolution If It is passed by a Simple majority of the total voting rights of eligible shareholders

40 1 2 A written resolution is passed as a special resolution If It IS passed by shareholders representing not less than 75% of the total voting rights of eligible shareholders A written resolution is not a special resolution unless It states that It was proposed as a special resolution

40 2 In relation to a resolution proposed as a written resolution of the Company the eligible shareholders are the shareholders who would have been entitled to vote on the resolution on the Circulation Date of the resolution

- 40 3 A shareholders' resolution under the Companies Acts removing a Director or an auditor before the expiration of his or her term of office may not be passed as a written resolution
- 40 4 A copy of the written resolution must be sent to every shareholder together With a statement Informing the shareholder how to Signify their agreement to the resolution and the date by which the resolution must be passed If It is not to lapse Communications In relation to written notices shall be sent to the Company's auditors in accordance with the Companies Acts
- 40 5 A shareholder signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated Document Identifying the resolution to which It relates and Indicating his or her agreement to the resolution
- 40 5 1 If the Document is sent to the Company in Hard Copy Form, It is authenticated If It bears the shareholder's signature
- 40 5 2 If the Document IS sent to the Company by Electronic Means, It is authenticated [If It bears the shareholder's signature] or [If the Identity of the shareholder IS confirmed In a manner agreed by the Directors] or [If It IS accompanied by a statement of the Identity of the shareholder and the Company has no reason to doubt the truth of that statement] or [If It IS from an email Address notified by the shareholder to the Company for the purposes of receiving Documents or Information by Electronic Means]
- 406 A written resolution is passed when the required majority of eligible shareholders have signified their agreement to It
- 40 7 A proposed written resolution lapses If It IS not passed within 28 days beginning with the Circulation Date

ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS

41. Means of communication to be used

- 41 1 Subject to the Articles, anything sent or supplied by or to the Company 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 Company
- 41 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 bang

- 41 3 A Director may agree With the Company that notices or Documents sent to that Director In a particular way are to be deemed to have been received within an agreed time of their bang sent, and for the agreed time to be less than 48 hours

42. Irregularities

The proceedings at any meeting or on the taking of any poll or the passing of a written resolution or the making of any decision shall not be Invalidated by reason of any accidental Informality or Irregularity (Including any accidental omission to give or any non-receipt of notice) or any want of qualification In any of the persons present or voting or by reason of any business bang considered which IS not referred to In the notice unless a provision of the Companies Acts specifies that such Informality, Irregularity or want of qualification shall Invalidate It

43. Minutes

- 43 1 The Directors must cause minutes to be made In books kept for the purpose

43 1 1 of all appointments of officers made by the Directors,

43 1 2 of all resolutions of the Company and of the Directors (Including, without limitation, decisions of the Directors made without a meeting), and

43 1 3 of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, Including the names of the Directors present at each such meeting,

and any such minute, if purported to be Signed (or In the case of minutes of Directors' meetings Signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the char of the next succeeding meeting, shall, as against any shareholder or Director of the Company, be sufficient evidence of the proceedings

- 43 2 The minutes must be kept for at least ten years from the date of the meeting, resolution or decision

44. Records and accounts

The Directors shall comply with the requirements of the Companies Acts as to maintaining a shareholders' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Regulator of

44 1 annual reports,

44 2 annual returns, and

44 3 annual statements of account

44 4 Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder

45. Indemnity

45 1 Subject to Article 49 2, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against

(a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,

(b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of

an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006), and

(c) any other liability incurred by that Director as an officer of the Company or an associated company

45 2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

45 3 In this Article

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant Director" means any Director or former Director of the Company or an associated company

46. Insurance

46 1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss

46 2 In this Article

- (a) a "relevant Director" means any Director or former Director of the Company or an associated company,
- (b) a "relevant loss" means any loss or liability which has been or may be Incurred by a relevant Director In connection With that Director's duties or powers In relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- (c) companies are associated If one IS a subsidiary of the other or both are subsidiaries of the same body corporate

SCHEDULE INTERPRETATION

1 In the Articles, unless the context requires otherwise, the following terms shall have the following meanings

Term	Meaning
"Address"	Includes a number or address used for the purposes of sending or receiving Documents by Electronic Means,
"Articles"	means the Company's articles of association,
"asset-locked body"	means (i) a community Interest company or a charity ¹ or a Permitted Industrial and Provident Society, or (ii) a body established outside the United Kingdom that is equivalent to any of those,
"bankruptcy"	Includes Individual Insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,
"Chair"	has the meaning given In Article 10,
"Circulation Date"	In relation to a written resolution, has the meaning given to It In the Companies Acts,
"Clear Days"	In relation to the period of a notice, that 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,
"community"	is to be construed in accordance With the section 35(5) of the Companies (Audit, Investigations and Community Enterprise) Act 2004,
"Companies Acts"	means the Companies Acts (as defined In section 2 of the Companies Act 2006), In so far as they apply to the Company,

"Company"	Compass Wellbeing CIC
"Conflict of Interest"	any direct or Indirect Interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts or might conflict With the Interests of the Company,
"Director"	means a director of the Company, and Includes any person occupying the position of director, by whatever name called,
"distribution recipient"	has the meaning given In Article 37,
"Document"	Includes, unless otherwise Indicated, any document sent or supplied In Electronic Form,
"Electronic Form and Electronic Means"	have the meanings respectively given to them In section 1168 of the Companies Act 2006,
"fully paid"	in relation to a share, means that the nominal value and any premium to be paid to the Company In respect of that share have been paid to the Company,
"Hard Copy Form"	has the meaning given In section 1168 of the Companies Act 2006,
"holder"	In relation to shares means the person whose name is entered In the register of shareholders as the holder of the shares,
"instrument"	means a Document in Hard Copy Form,
"Memorandum"	the Company's memorandum of association, means paid or credited as paid,
"participate"	In relation to a Directors' meeting, has the meaning given In Article 14,
"Permitted Industrial and"	means an Industrial and provident society

Provident Society"	which has a restriction on the use of its assets in accordance with regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006,
"the Regulator"	means the Regulator of Community Interest Companies,
"the Regulations"	means the Community Interest Company Regulations 2005 (as amended),
"Secretary"	the secretary of the Company (if any),
"shareholder"	means a person who is the holder of a share,
"shares"	means shares in the Company,
"specified"	means specified in the memorandum or articles of association of the Company for the purposes of this paragraph,
"subsidiary"	has the meaning given in section 1159 of the Companies Act 2006,
"transfer"	Includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property,
"transmittee"	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law, and
"Writing"	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

- 2 Subject to clause 3 of this Schedule, any reference in the Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it

- 3 Unless the context otherwise requires, other words or expressions contained In these Articles bear the same meaning as In the Companies Acts as in force on the date when these Articles become binding on the Company