

**INNOVO (CLM) CIC ("the Company")**

**Company number 08613722**

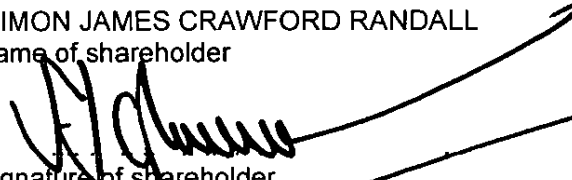
**Written Special Resolution by the Sole Shareholder of the Company**

**Passed 11 September 2014**

The following resolution was passed as a written special resolution by the sole shareholder of the Company

"THAT the Articles of Association for the Company be updated as set out in the attached Articles of Association, and that these updated Articles of Association be adopted in substitution of the Company's existing Articles of Association"

Signed by SIMON JAMES CRAWFORD RANDALL  
Name of shareholder

  
Signature of shareholder

11 September 2014  
Date

THURSDAY



A16 \*A3GOD455\* 18/09/2014 #216  
COMPANIES HOUSE

**COMMUNITY INTEREST COMPANY LIMITED BY SHARES**

**THE COMPANIES ACT 2006**

**ARTICLES OF ASSOCIATION**

**OF**

**INNOVO (CLM) CIC**

**Company No. 08613722**

**Incorporated: 17 July 2013**

---

Minerva House  
5 Montague Close  
London SE1 9BB  
DX 156810 London Bridge 6

T 020 7593 5000  
F 020 7593 5099  
[www.wslaw.co.uk](http://www.wslaw.co.uk)

**Winckworth  
Sherwood**  
Solicitors and  
Parliamentary Agents

**THE COMPANIES ACT 2006  
COMMUNITY INTEREST COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION OF INNOVO (CLM) CIC**

**1 INTERPRETATION**

1 1 In these Articles of Association (the "Articles")

**"Act"** means the Companies Acts, as that term is defined in Section 2 of the Companies Act 2006,

**"Asset-Locked Body"** means (i) a community interest company, a charity or a Permitted Industrial and Provident Society, or (ii) a body established outside the United Kingdom that is equivalent to any of those,

**"Board"** means the Directors of the Company acting collectively,

**"Chair"** means the chair of the Board, appointed in accordance with Article 29 10,

**"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,

**"Community"** is to be construed in accordance with Section 35(5) of the Companies (Audit, Investigations and Community Enterprise) Act 2004,

**"Community Rehabilitation Company"** or **"CRC"** means the entity or entities to which the employers of the relevant Probation Trusts will transfer pursuant to the arrangements made by the Ministry of Justice,

**"Company"** means Innovo (CLM) CIC,

**"Company Management Team"** means the team as defined in Article 21 1 1,

**"Director"** means a director of the Company, and includes any person occupying the position of director, by whatever name called,

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

**"electronic communication"** means the same as in the Electronic Communications Act 2000,

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

**"Employee"** means an employee of the Company or employee of a Community Rehabilitation Company (**"CRC"**),

**"Employee Director"** means an employee elected as a Director from time to time pursuant to Article 23,

**"hard copy form"** has the meaning given to it in the Companies Act 2006,

**"Independent Director"** means an independent person who is not an Employee,

**"Memorandum"** means the Memorandum of Association of the Company,

**"the Office"** means the registered office of the Company,

**"Permitted Industrial and Provident Society"** means an industrial and 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,

**"Probation Trust"** means any or all of the Cumbria Probation Trust, Lancashire Probation Trust and Merseyside Probation Trust,

**"Regulator"** means the Regulator of community interest companies,

**"Seal"** means the common seal of the Company,

**"Shareholder"** means a person who is the holder of a share in the Company,

**"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,

**"United Kingdom"** means Great Britain and Northern Ireland, and

**"Working Day"** means a day, other than Saturday, Sunday or a bank or public holiday in England and Wales, on which the clearing banks in the City of London are open for business

1 2 Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form Writing means the representation or reproduction of words, symbols or other information in visible form by a method or combination of methods, whether sent or supplied in electronic form or otherwise

1 3 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act

1 4 Words importing gender shall mean and include any other gender and words importing persons shall include corporations and natural persons

## 2. COMMUNITY INTEREST COMPANY

2 1 The Company is to 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

3 2 1 the transfer of assets to any specified asset-locked body, or (with the consent of the Regulator) to any other asset-locked body, and

3 2 2 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

3 3 The conditions are that the transfer of assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Articles of the Company

3 4 If

3 4 1 the Company is wound up under the Insolvency Act 1986, and

3 4 2 all its liabilities have been satisfied,

any residual assets shall be given or transferred to the asset-locked body specified by the Regulator in consultation with the Company's Directors and Shareholders

#### 4. NOT FOR PROFIT

4 1 The Company is not established or conducted for private gain any surplus or assets are used principally for the benefit of the community

#### 5. REGISTERED OFFICE

5 1 The registered office of the Company will be situated in England

#### 6. OBJECTS

6 1 The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to

6 1 1 relieve poverty, in particular but not exclusively, to advance the education and training, in particular, of all persons (and Shareholders of their families) and through the provision of housing who

6 1 1 1 have committed or are likely to commit a criminal act or acts, or

6 1 1 2 have been or are or are in danger of becoming substance misusers, or

6 1 1 3 have been or are or are in danger of becoming addicted to or dependent upon drugs of any description, including without limitation on the generality of the foregoing illegal drugs, alcohol, solvents or other addictive substances, or

6 1 1 4 have been or are or are likely to become victims of domestic abuse, or

6 1 1 5 have been or are or are likely to become homeless, or

6 1 1 6 suffer mental ill health, or

6 1 1 7 have suffered a legal restriction on their liberty in any penal or correctional establishment, and/or

6 1 2 advance the education of the public by promoting study and research into homelessness and all aspects of and methods of crime prevention, and/or

6 1 3 promote for the public benefit, the protection of people and property from criminal acts and the effects of drug abuse and substance misuse, and/or

- 6 1 4 promote the advancement of education, the protection of health, the relief of poverty, sickness and distress and to reduce substance related harm to the individual and the wider community, and/or
- 6 1 5 provide or assist in the provision of both indoor and outdoor community or other facilities in the interests of social welfare or other leisure time occupation for the Company's beneficiaries by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life, and/or
- 6 1 6 promote community participation in healthy recreational activities, and/or
- 6 1 7 reduce reoffending by persons who have committed a criminal act so as to minimise harm to the general public or such persons and to rehabilitate such persons to become law-abiding citizens,
- 6 1 8 perform such other purposes as the Directors in their absolute discretion may determine

## 7. POWERS

- 7 1 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
  - 7 1 1 to provide and assist in the provision of money, materials or other help,
  - 7 1 2 to organise and assist in the provision of conferences, courses of instruction, exhibitions, lectures and other educational activities,
  - 7 1 3 to publish and distribute books, pamphlets, reports, leaflets, journals, films, tapes and instructional matter on any media,
  - 7 1 4 to promote, encourage, carry out or commission research, surveys, studies or other work, making the useful results available,
  - 7 1 5 to provide or procure the provisions of counselling and guidance,
  - 7 1 6 to provide or procure the provision of advice,
  - 7 1 7 alone or with other organisations, seek to influence public opinion and make representations to and seek to influence governmental and other bodies and institutions regarding the development and implementation of appropriate policies PROVIDED THAT all such activities shall be conducted on the basis of well-founded, reasoned argument and shall in all other respects be confined to those which an English and Welsh community interest company may properly undertake,
  - 7 1 8 to manage and operate indoor and outdoor recreational facilities,
  - 7 1 9 to manage and operate community centres and halls,
  - 7 1 10 to develop a range of activities and programmes to increase awareness of the benefits of a healthy active lifestyle and encourage participation in healthy recreational activities,

- 7 1 11 to raise funds and invite and receive contributions PROVIDED THAT in raising funds the Directors shall not undertake any substantial permanent trading activity and shall conform to any relevant statutory regulations,
- 7 1 12 to acquire or hire property of any kind, and any interests in or rights over property of any kind,
- 7 1 13 to sell, dispose of, let, mortgage, or charge any property of the Company and to grant licences, options, rights and privileges in respect of, or otherwise deal with, all or any part of the property and rights of the Company,
- 7 1 14 to co-operate and enter into arrangements with any authorities, international, national, local or otherwise,
- 7 1 15 to accept subscriptions, gifts, donations, devises and bequests of any real or personal property maintain and alter any of the same as are necessary for any of the objects of the Company and (subject to such consents as may be required by law) sell, lease, mortgage or otherwise dispose of any such property,
- 7 1 16 to issue appeals, hold public meetings and take such other steps as may be appropriate for the purpose of procuring contributions to the funds of the Company in the shape of donations, subscriptions or otherwise,
- 7 1 17 to issue cheques and other financial instruments, and to operate bank and other accounts in the name of the Company,
- 7 1 18 subject to such consents as may be required by law, to borrow and raise money for the objects of the Company on such terms and conditions and on such security as may be thought fit,
- 7 1 19 to construct, maintain and alter buildings or erections,
- 7 1 20 to carry on trade in so far as either the trade is exercised in the course of the actual carrying out of a primary object of the Company or such trade is temporary and ancillary to the carrying out of the said objects,
- 7 1 21 to take and accept any gift of money, property or other assets, whether subject to any special trust or not, for any one or more of the objects of the Company,
- 7 1 22 to establish subsidiary companies to assist or act as agents for the Company and/or to subscribe for either absolutely or conditionally or otherwise acquire and hold shares, stocks, debentures, debenture stock or other securities or obligations of any other Company,
- 7 1 23 to invest the monies of the Company not immediately required for its objects in or upon such investments, securities or property as may be thought fit,
- 7 1 24 to make any donation or grant either in cash or assets for the furtherance of the objects of the Company,
- 7 1 25 to establish or support any institution and to subscribe or guarantee money for purposes calculated to further the objects of the Company,
- 7 1 26 to lend money and give credit to, take security for such loans or credit from and to guarantee and become or give security for the performance of contracts

or obligations by any person or Company as may be necessary or expedient for the work of the Company,

7 1 27 to provide indemnity insurance to cover the liability of the Directors

7 1 27 1 which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust, or breach of duty of which they may be guilty in relation to the Company,

7 1 27 2 to make contributions to the assets of the Company in accordance with the provisions of Section 214 of the Insolvency Act 1986,

PROVIDED THAT any such insurance in the case of Article 7 1 27 shall not extend to

7 1 27 3 any liability resulting from conduct which the Directors knew, or must be assumed to have known, was not in the best interests of the Company, or which the Directors did not care whether it was in the best interests of the Company or not,

7 1 27 4 any liability to pay the costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud or dishonesty or willful or reckless misconduct of the Directors, or

7 1 27 5 any liability to pay a fine,

7 1 27 6 any liability to make such a contribution where the basis of the Director's liability is his knowledge prior to the insolvent liquidation of that Company (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Company would avoid going into insolvent liquidation,

7 1 28 to employ and pay such staff (who shall not be Directors) to supervise, organise, carry on the work of and advise the Company,

7 1 29 to allow Directors to be paid for their services when acting either in the capacity of a Director of the Company Management Team or Employee on the Board,

7 1 30 to purchase insurance to cover the officers, staff, voluntary workers and those of its Shareholders from and against all such risks incurred in the course of the performance of their duties, as may be thought fit,

7 1 31 to pay reasonable annual sums or premiums for or towards the provision of pensions for staff for the time being of the Company and their dependants,

7 1 32 to purchase insurance to cover any buildings or other property to their full value,

7 1 33 to co-operate with, enter into arrangements with, partner or contract with any person, body corporate, public body or institution in furtherance of the Company's objects,

7 1 34 to amalgamate with any companies, institutions, societies or associations which have objects altogether or mainly similar to those of the Company and which prohibit the payment of any dividend or profit to and the distribution of any of their assets amongst their Shareholders at least to the same extent as



such payments or distributions are prohibited in the case of Shareholders of the Company by these Articles,

- 7 1 35 to pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company,
- 7 1 36 to establish where necessary local branches (whether autonomous or not),
- 7 1 37 to do all such other lawful things as shall further the above objects or any of them

## **8. NON DISTRIBUTION**

8 1 The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in these Articles and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to Shareholders of the Company and no Director shall be appointed to any office of the Company paid by salary or fees PROVIDED THAT nothing herein shall prevent any payment in good faith by the Company

- 8 1 1 of reasonable and proper remuneration for any services rendered to the Company by any Shareholder, officer, employee or consultant of the Company or any Director or related person or an Employee ,
- 8 1 2 of reasonable and proper remuneration for an Employee,
- 8 1 3 of interest on money lent by any Shareholder of the Company or by any Director at a reasonable and proper rate per annum,
- 8 1 4 of reasonable and proper rent for premises demised or let by any Shareholder of the Company or the Board,
- 8 1 5 of fees, remuneration or other benefit in money or money's worth to a Company of which a Director may also be a Shareholder holding not more than 1/100th part of the issued capital of that Company,
- 8 1 6 of out-of-pocket expenses to any Director,
- 8 1 7 of any premium in respect of any indemnity insurance to cover the liability of the Directors which, by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the company PROVIDED THAT any such insurance shall not extend to any claim arising from liability resulting from conduct which the Directors knew, or must be assumed to have known, was not in the best interests of the Company, or which the Directors did not care whether it was in the best interests of the company or not and PROVIDED ALSO THAT any such insurance shall not extend to any claim arising from liability for the costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud or dishonesty or willful or reckless misconduct of the Directors,
- 8 1 8 of the usual professional charges for business done by any Director who is a solicitor, accountant or other person engaged in a profession, or by any partner of his, when instructed by the Company to act in a professional capacity on its behalf PROVIDED THAT at no time shall a majority of the Directors benefit under this provision and that a Director shall withdraw from

any meeting at which his appointment or remuneration, or that of his partner, is under discussion

## **9. LIMITED LIABILITY**

9 1 The liability of the Shareholders is limited to the amount (if any) unpaid on the share held by them

## **10. WINDING UP**

10 1 If upon the winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall only be distributed to Shareholders, who shall not receive more than the paid up value of their shares

10 2 Once the distribution to Shareholders has been made in accordance with Article 11 1 above, any remaining residual assets shall be distributed to such asset-locked body (or bodies) in such proportions or amounts as the Regulator shall direct

10 3 When considering issuing such a direction the Regulator must

10 3 1 consult the Directors and Shareholders of the Company to the extent the Regulator considers practical and appropriate, and

10 3 2 give notice of any direction to the Company and liquidator

10 4 Any Shareholder or Director of the Company may appeal to the appeal officer against any direction outlined in Article 11 2 above

## **11. SHAREHOLDERS**

### **Obligations of Shareholders**

11 1 All shareholders agree to be bound by the obligations on them, as set out in these Articles. When acting as Shareholders they shall act at all times in the interests of the Company and, for the benefit of the community, as guardians of the objects of the Company

### **Nature of shares**

11 2 The Company's share capital shall be raised by the issue of shares. Each share has the nominal value of ten pounds, which shall carry no right to interest, dividend or bonus

11 3 When a Shareholder ceases to be a Shareholder or is expelled from the Company, his or her share shall be cancelled. The amount paid up shall become the property of the Company

### **Nature of Shareholders**

11 4 A Shareholder of the Company is a person whose name and address is entered in the register of Shareholders and is

11 4 1 a subscriber to the Memorandum and Articles,

11 4 2 an Employee as defined in Article 1 1,

- 11 4 3 a Director of the Company who is not an Employee
- 11 5 The following cannot be Shareholders
  - 11 5 1 a minor,
  - 11 5 2 a person who has been expelled as a Shareholder, unless authorised by special resolution at a general meeting,
  - 11 5 3 a person who has been removed by the board in accordance with Article 26,
  - 11 5 4 they are, or may be, suffering from Mental Disorder (as defined by Section 1 of the Mental Health Act 1983 (as amended)) and
    - 11 5 4 1 are admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
    - 11 5 4 2 an order is made by a Court, having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder, for their detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to their property or affairs, or
    - 11 5 4 3 in the opinion of a registered medical practitioner they are suffering from a mental disorder by reason of which they are incapable of carrying out the duties of a board member

#### **Decision Making by Shareholders**

- 11 6 No Shareholder shall hold more than one share and each share shall carry only one vote
- 11 7 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

#### **Ending of Shareholding**

- 11 8 A Shareholder shall cease to be a Shareholder if
  - 11 8 1 they die,
  - 11 8 2 they are expelled under Article 11 8,
  - 11 8 3 they withdraw from the Company by giving notice to the secretary, which shall be effective on receipt by the secretary,
  - 11 8 4 a Shareholder ceases to be a Director for whatever reason,
  - 11 8 5 a Shareholder ceases to be an Employee for whatever reason,
  - 11 8 6 they cease to be eligible to be a Shareholder under Article 11 5,

- 11 8 7 the Company serves notice on the Shareholder asking them to indicate (within a set three month period) if they wish to remain as Shareholder, and they fail to reply within that period,
- 11 8 8 the Company has obtained an order of a competent Court or Tribunal against them for recovery of monies due from them to the Company, provided that if the order is suspended or is an order for payment in instalments, they shall only cease to be a Shareholder member upon failing to meet the terms of the order,
- 11 8 9 if, in the view of the Board, it is determined that the Shareholder's continued membership is not in the best interests of the Company or that shareholding membership should cease for any other reasonable reason and the Board passes a resolution to this effect

#### 11 9 **Expulsion of a Shareholder**

- 11 9 1 a Shareholder may only be expelled by a special resolution at a special general meeting called by the Board,
- 11 9 2 the Board must give the Shareholder at least one month's notice in writing of the general meeting. The notice to the Shareholders must set out the particulars of the complaint of conduct detrimental to the Company, and must request the Shareholder to attend the meeting to answer the complaint,
- 11 9 3 at a general meeting called for this purpose, the Shareholders shall consider the evidence presented by the board and by the Shareholder (if any). The meeting may take place even if the Shareholder does not attend,
- 11 9 4 if the resolution to expel the Shareholder is passed in accordance with this rule, the Shareholder shall immediately cease to be a Shareholder

#### **Share Transfers**

- 11 10 Shareholding membership is not transferable to anyone else
- 11 11 Without prejudice to Article 11 10, the Directors may refuse to register the transfer of a share to a person of whom they do not approve. 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. 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. 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 or Articles of the Company

### 12. **GENERAL MEETINGS**

- 12 1 The Board may whenever it thinks fit convene a general meeting, and general meetings shall also be convened if requisitioned by Shareholders as provided by the Act
- 12 2 The Company shall each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. PROVIDED THAT so long

as the Company holds its first annual general meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. The annual general meeting shall be held at such time and place as the Board shall appoint.

12 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.

12 4 Article 13 3 shall not prevent a person who is a proxy for a Shareholder or a duly authorised representative of a Shareholder from voting at a general meeting of the Company.

### 13. NOTICE OF GENERAL MEETINGS

13 1 All meetings of Shareholders shall be called by at least fourteen Clear Days' notice in writing PROVIDED THAT a general meeting may be called by shorter notice if it is so agreed. In the case of any general meeting, by a majority of the Shareholders having a right to attend and vote at the meeting, being a majority together representing not less than ninety per cent of the total voting rights at that meeting of all the Shareholders.

13 2 The notice shall specify the place, the day and the hour of meeting, and the general nature of the business to be transacted. Notice shall be given, to such persons as are, under the Articles of the Company, entitled to receive such notices from the Company.

13 3 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings of that meeting.

13 4 Notice of every general meeting shall be given in writing either personally or by post addressed to a Shareholder at his address or in electronic form using electronic means to an address for the time being notified to the Company by the Shareholder and shall be given to

13 4 1 every Shareholder except those Shareholders who (having no registered address within the United Kingdom) have not supplied to the Company an address within the United Kingdom for giving of notices to them,

13 4 2 the reporting accountant or auditor (as appropriate in accordance with the Act) for the time being of the Company,

13 4 3 each Director

13 5 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic form of communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators by a record (in whatever form) of the total number of recipients emailed and of each recipient to whom the message was sent shall be conclusive evidence that notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted, or in the case of a notice contained in an electronic form of communication, at the expiration of 24 hours after the time it was sent. In the event that the nominated person responsible for sending the notices is alerted that an electronic form of communication was unsuccessfully delivered to its recipient (and subsequent attempts to remedy the situation are unsuccessful), the nominated person shall send a hard copy form of the notice by mail to the recipient's last known postal address.

- 13 6 A Shareholder present in person at any general meeting shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called

#### **14 PROCEEDINGS AT GENERAL MEETINGS**

- 14 1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business. Three voting Shareholders or one third of the Shareholdership (whichever is the higher) shall be a quorum PROVIDED ALWAYS that for a meeting to be quorate, there must be at least one Director of the Company Management Team in attendance

- 14 2 If within half an hour from the time appointed for the meeting a quorum is not present, or, if during a meeting a quorum ceases to be present, the meeting shall be adjourned to such other time and/or if necessary to such other day and place as the Board determines. If at the adjourned meeting a quorum is not present within half an hour after the appointed starting time, the Shareholders present will be a quorum

#### **15 CHAIR**

- 15 1 The Chair of the Board shall also chair every general meeting of the Company, or if there is no such Chair, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors shall elect one of their number to chair the general meeting

- 15 2 If at any general meeting no Director is willing to act as Chair or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the voting Shareholders present shall choose one of their number to chair the meeting

- 15 3 The Chair may, with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no other business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise, it shall not be necessary to give notice

#### **16. RESOLUTIONS**

- 16 1 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands by those Shareholders present, whether present personally or represented by proxy unless, before or on the declaration of the result of the show of hands, a poll is demanded

16 1 1 by the Chair, or

16.1.2 by at least two Shareholders present in person or represented by proxy and having the right to vote at the meeting, or

16 1 3 by a Shareholder or Shareholders present in person or represented by proxy not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting

- 16 2 Unless a poll is so demanded, a declaration by the Chair that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the minutes of proceedings of the Company shall be

conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour for or against the resolution

- 16 3 The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the Chair. The withdrawal of the demand for a poll shall not invalidate the result of a show of hands declared before the demand for the poll was made
- 16 4 A poll demanded on the election of a Chair, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken at such time and in such manner as the Chair of the meeting directs, not being more than thirty days after the poll is demanded, and any business other than that upon which a poll has been demanded may proceed pending the taking of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded
- 16 5 No notice need be given of a poll not taken immediately if the time and the place at which it is to be taken are announced at the meeting at which it is demanded. In other cases at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken
- 16 6 A resolution may be passed by the Shareholders in writing in accordance with the Act and a resolution passed in this way shall be valid and effective as if it had been passed at a general meeting of the Company duly convened and held. A resolution proposed as a written resolution shall
- 16 6 1 be sent to all Shareholders,
- 16 6 2 be accompanied by a statement informing the Shareholder how to signify agreement to the resolution and the date by which the resolution must be passed if it is not to lapse, and
- 16 6 3 state on the face of the resolution that it is a special resolution, if this is the case

## **17. VOTES OF SHAREHOLDERS**

- 17 1 Subject to the Articles, every Shareholder shall have one vote whether present personally or by proxy. The Board may make arrangements for postal voting on such terms and conditions as it thinks fit
- 17 2 No Shareholder shall be entitled to vote at any general meeting unless all monies presently payable by him or her to the Company have been paid
- 17 3 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chair whose decision shall be final and conclusive

## **18. APPOINTMENT OF PROXIES**

- 18 1 Votes may be given on show of hands or on a poll either personally or by proxy
- 18 2 The proxy form (and the power of attorney, if any, under which it is signed, or a copy of that power certified by a solicitor and any instrument to terminate a proxy appointment) must be deposited at the registered office of the Company, or at another place within the United Kingdom specified for that purpose in the notice convening the meeting, not less than 48 hours before the time set for the meeting or adjourned meeting in question at which the person named in the instrument proposes to vote and may be contained in

an electronic communication, where an address has been specified for the purpose of receiving electronic communications

18 2 1 in the notice convening the meeting, or

18 2 2 in any instrument of proxy sent out by the Company in relation to the meeting, or

18 2 3 in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting

18 3 An appointment of proxy which is not deposited, delivered or received in a manner permitted by Article 19 2 shall be invalid. In calculating the 48 hour period, no account shall be taken of any part of a day that is not a Working Day

18 4 A vote given or poll demanded by a proxy for a Shareholder, or by the authorised representative of a Shareholder which is an organisation remains valid despite the previous revocation of the authority of proxy or representative unless notice of revocation was received by the Company at its registered office in accordance with Article 18 2. 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 Company by or on behalf of that person. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. Proxies shall count towards the quorum of a meeting of Shareholders and shall have the same rights to speak as the Shareholder who appointed him

18 5 Any instrument appointing a proxy shall be in the following form or as near thereto as circumstances will admit

I, [Name] of [Address] being a Shareholder of [Name of company] appoint [name of proxy] of [Address of Proxy] or the Chair (delete as appropriate) as my proxy to vote for me on my behalf at [the General Meeting of the Company to be held on [date] and at any adjournment] or [all General meetings of the Company until [date]] and to join in any demand for a poll in accordance with the Articles

This form is to be used in respect of the resolutions mentioned below as follows

Resolution

For\* \_\_\_\_\_

Against\* \_\_\_\_\_

*\*Place cross in desired box. If left blank, the proxy will vote as he/she thinks fit*

As witness my hand this \_\_\_\_\_ day of \_\_\_\_\_

## 19 HONORARY OFFICERS

19 1 The Board shall have the power, at its sole discretion to appoint honorary officers including but not limited to a President or a Patron ("Honorary Officers")

19 2 Honorary Officers shall not be entitled to attend meetings of the Board, unless invited by the Board, and shall be entitled to attend general meetings of the Company but not to vote at the same or count towards the quorum



- 19 3 The Board shall be entitled to appoint Honorary Officers for life or such other term of appointment as the Board may decide

**20 COMPOSITION OF THE BOARD**

- 20 1 Unless otherwise determined by the Company, the Board shall consist of at least six and not more than seven individuals comprised as follows

20 1 1 Two members of the Company Management Team being Dave Christian and Geraldine Byrne-Thompson as the first Members of the Company Management Team,

20 1 2 Two Employees from each of the Merseyside CRC and the Lancashire and Cumbria CRC, and

20 1 3 One Independent Director being an individual who is neither a Member of the Company Management Team nor an Employee

- 20 2 All Directors shall be required to become a Shareholder of the Company

- 20 3 The first Directors shall be those persons named in the IN01 form delivered to Companies House, who shall be deemed to have been appointed under these Articles  
Future Directors shall be appointed as provided in these Articles

- 20 4 The Directors may be paid all reasonable expenses properly incurred by them in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

- 20 5 No person may be appointed as a Director

20 5 1 unless he has attained the age of 18 years, or

20 5 2 in circumstances such that, had he already been a Director, he would have been disqualified from acting under the provisions of Article 27

- 20 6 No person shall be entitled to act as a Director whether on a first or on any subsequent entry into office until after signing a declaration of acceptance and willingness to act as a Director of the Company in such form as the Board shall decide from time to time

**21. MEMBERS OF THE COMPANY MANAGEMENT TEAM**

- 21 1 The Directors of the Company Management Team shall consist of a

21 1 1 Chief Executive,

21 1 2 Director of Finance,

21 1 3 Director of Development, and

21 1 4 Commercial Director

- 21 2 Any person who is willing to act as a Member of the Company Management Team, and is permitted by law and the Articles to do so, may be appointed to be a Member of the Company Management Team

21 2 1 by ordinary resolution, or

21 2 2 by a decision of the Board

21 3 In selecting persons to be appointed as Members of the Company Management Team, the Board shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications to make a contribution to the pursuit of the objects or the management of the Company and shall follow best practice in relation to Member recruitment

21 4 Members of the Company Management Team may be re-appointed by the Board at the end of each term of office

## **22. EMPLOYEE DIRECTORS**

22 1 An Employee Director shall be elected to the Board by such democratic process as the Board shall agree from time to time

22 2 An Employee Director shall have a fixed term of three years expiring at the conclusion of an annual general meeting

22 3 The Employee Director shall not be subject to the retirement provisions and will continue to act as a Director until

22 3 1 he resigns his employed role for the CRC, or

22 3 2 he is disqualified or removed pursuant to the Articles

22 4 On the expiry of a fixed term or the earlier retirement of the Employee Director, the relevant Employees will elect a new Employee Director in accordance with the democratic process agreed by the Board

## **23. INDEPENDENT DIRECTOR**

23 1 Any person who is willing to act as an Independent Director and is permitted by law and the Articles to do so, may be appointed to be the Independent Director

23 1 1 by ordinary resolution, or

23 1 2 by a decision of the Directors

23 2 In selecting the person to be appointed as Independent Director, the Board shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications to make a contribution to the pursuit of the objects or management of the Company and shall follow best practice in relation to Director recruitment

23 3 No Independent Director shall be required to retire for the first three years following the Company commencing operations

23 4 The Independent Director may be re-appointed by the Board at the end of each term of office

## **24. BORROWING POWERS**

Without prejudice to the generality their powers under these Articles, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of

the Company or of any body where such action will directly further the objects of the Company

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

- 25 1 The business of the Company shall be managed by the Board who may pay all expenses incurred in the formation of the Company, and may exercise all such powers of the Company as are not required to be exercised by the Company in general meeting. Any such requirement may be imposed either by the Act or by these Articles or by any regulation made by the Company in general meeting, but no such regulation shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- 25 2 All cheques and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed or otherwise executed, as the case may be, in such manner as the Board shall from time to time determine.
- 25 3 The Board shall arrange for minutes to be made
- 25 3 1 of all appointments of officers made by the Directors,
- 25 3 2 of the names of the Directors present at each Board meeting, and
- 25 3 3 of all resolutions and proceedings at all meetings of the Company.
- 25 4 The minutes must be kept for at least ten years from the date of the meeting, resolution or decision.

## **26. DISQUALIFICATION AND REMOVAL OF SHAREHOLDERS OF THE BOARD**

- 26 1 A Director shall cease to hold office if
- 26 1 1 he ceases to be a Director by virtue of any provision in the Act or is disqualified from acting as a Director by virtue of the Company Directors Disqualification Act 1986 (or any statutory re-enactment or modification of that Act), or
- 26 1 2 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months, or
- 26 1 3 he resigns his office by written notice to the Company (but only if at least three Directors remain in office when the notice of resignation is to take effect), or
- 26 1 4 he ceases to be a Shareholder of the Company, or
- 26 1 5 he dies, or
- 26 1 6 he is absent without permission of the Board from more than 50% of the Board meetings in any calendar year and the Board resolves that his office be vacated, or
- 26 1 7 he is removed from office by notice signed by a majority of the other Directors stating that that person should cease to be a Director, or

26 1 8 a composition is made with that person's creditors generally in satisfaction of that person's debts (whether by means of an individual voluntary arrangement or otherwise), or

26 1 9 being an Employee Director if he or she ceases to be an Employee for whatever reason, or

26 1 10 being a Member of the Company Management Team he or she ceases to be a Member of such Team for whatever reason

## **27. DIRECTORS' INTERESTS**

27 1 Except to the extent expressly permitted by these Articles, no Director shall take or hold any interest in property belonging to the Company or receive remuneration or be interested otherwise than as a Director in any other contract to which the Company is a party

27 2 Whenever a Director has any kind of interest in a matter to be discussed by the Board which may conflict with the interests of the Company, the Director concerned must declare an interest in the item under discussion, withdraw from the meeting for that item (unless expressly asked to stay to provide information) and shall not be taken into account in calculating the quorum for that item of the meeting. For the purposes of this Article, a conflicting interest or duty is an interest or duty that arises as a result of a Director being a Shareholder, director, officer or employee of another organisation

27 3 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

## **28. PROCEEDINGS OF THE BOARD**

28 1 The Board shall meet at least four times in each calendar year. The Directors shall use all reasonable endeavours to attend all Board meetings

28 2 Subject to the provisions of the Articles, the Board may regulate its proceedings as it sees fit

28 3 Questions arising at a Board meeting shall be decided by a majority of votes

28 4 In all proceedings of the Board each Director must not have more than one vote

28 5 The quorum for the transaction of the business of the Board shall be fixed at three Directors or one third of the Board whichever is the higher PROVIDED ALWAYS THAT for a meeting to be quorate, there must be at least one Director of the Company Management Team in attendance

28 6 The Chair or any two Directors may call a Board meeting by giving not less than 10 days' notice of the meeting to the Directors. Notice of any Directors' meeting must indicate

28 6 1 its proposed date, time and subject matter,

28 6 2 where it is to take place, and

28 6 3 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

28 7 Notice of a Directors' meeting

28 7 1 need not be given writing, but

28 7 2 must be communicated to each Director

It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom

28 8 In fixing the date and time of any Board meeting, the Director calling it must try to ensure, subject to the urgency of any matter to be decided by the Directors, that as many Directors as practicable are likely to be available to participate in it

28 9 The Board may act notwithstanding any vacancies in its number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Director or Directors may act only for the purpose of filling vacancies or of calling a general meeting to appoint further Directors

28 10 The Directors shall elect a Chair who shall hold office until the Board meeting following the first anniversary of his appointment unless by a majority vote of the Directors present and entitled to vote, he is removed from office before that time. The Directors shall be permitted to re-elect the existing Chair or select another Director to act as Chair. If and as long as the position of Chair is vacant, the Directors may appoint one of their number to be Chair. The Chair shall be entitled to preside at all meetings of the Board at which he is present but if at any meeting the Chair is not present within ten minutes after the time appointed for holding the meeting and/or is unwilling to preside, the Board shall choose one of their number to be Chair of the meeting. In the case of an equality of votes, the Chair shall be entitled to a second or casting vote

28 11 The Directors may appoint one or more committees consisting of at least one Director for the purpose of making an inquiry or supervising or performing any function or duty which in the opinion of the Board would be more conveniently undertaken or carried out by a committee, PROVIDED THAT all acts and proceedings of any such committees shall be fully and promptly reported to the Board

28 12 All acts done by the Board, or by a committee of the Board, shall, notwithstanding that it be afterwards discovered that there was defect in the appointment of any Director or that any of them were disqualified from holding office, or has vacated office, or were not entitled to vote, be as valid as if every such person has been duly appointed and was qualified and had continued to be a Director and had been entitled to vote

28 13 A resolution in writing, signed by such number of the Directors as required by the Act, having regard to the nature of the resolution shall be as valid and effective as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held. Such a resolution may consist of several documents in the same form, each signed by one or more of the Directors

28 14 Any Director may validly participate in a meeting of the Directors through the medium of telephone or video conference or any other form of electronic communication equipment PROVIDED THAT all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed present at the meeting and shall accordingly be counted in a quorum and be entitled to vote. A resolution passed at any meeting held in such manner and signed by

the chair of the meeting shall be valid and effectual as if it had been passed at a meeting of the Directors duly convened and held

- 28 15 A Director or another authorised person must take minutes of all proceedings and keep these in accordance with the Act

## **29. BANK ACCOUNT**

- 29 1 Any bank account in which any part of the Trust Fund is deposited shall be operated by the Directors and shall be held in the name of the Company. All cheques and orders for the payment of money from such account shall be signed by at least two Directors or otherwise in accordance with an agreed scheme of delegation approved by the Directors, including payments by electronic transfers

## **30. THE SEAL**

- 30 1 If the Company has a common seal and it is affixed to a document, the document must also be signed by one authorised person in the presence of a witness who attests the signature. For the purposes of this article, an authorised person is

30 1 1 any Director of the company,

30 1 2 any other person authorised by the Directors for the purpose of signing documents to which a company seal is applied

## **31. MEANS OF COMMUNICATION TO BE USED**

- 31 1 Subject to these Articles

31 1 1 anything sent or supplied by or to the Company or its Shareholders or directors under these Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information to be sent or supplied by or to the Company for the purposes of the Companies Acts, and

31 1 2 any notice or documents to be sent or supplied to the Shareholders or the directors in connection with the taking of decision by the Shareholders or the directors may also be sent or supplied by the means by which the Shareholders or directors have asked to be sent or supplied with such notices or documents for the time being

## **32. RECORDS AND ACCOUNTS**

- 32 1 The Directors shall comply with the requirements of the Act 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

32 1 1 annual reports,

32 1 2 annual returns, and

32 1 3 annual statements of account

- 32 2 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

**33. INDEMNITY**

- 33 1 Subject to the provisions of the Act every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him or her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in his or her favour or in which he is acquitted or in connection with any application in which relief is granted to him or her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company

**34. DISSOLUTION**

- 34 1 The Company may at any time decide by resolution passed by at least 75% of the Shareholders that the Company is to be dissolved
- 34 2 Article 11 of these Articles shall determine the procedure for dissolution

**35. AMENDMENT OF ARTICLES**

- 35 1 These Articles may be amended by the Company in general meeting

**36. RULES OR BYE LAWS**

- 36 1 The Directors may from time to time make such Rules or Bye Laws as it may deem necessary or convenient for the proper conduct and management of the Company and/or its Shareholdership, and in particular, but without prejudice to the generality of the foregoing, it may by such Rules or Bye Laws regulate
- 36 1 1 the deposit of money at a bank and the custody of documents,
  - 36 1 2 the conduct of Shareholders of the Company in relation to one another, and to the Company's employees,
  - 36 1 3 the admission and classification of Shareholders of the Company, and the rights and privileges of such Shareholders, and the conditions of Shareholdership and the terms on which Shareholders may resign or have their Shareholdership terminated and the entrance fees, subscriptions and other fees or payments to be made by Shareholders,
  - 36 1 4 the procedure at general meetings and meetings of the Board and the committees in so far as such procedure is not regulated by these Articles,
  - 36 1 5 the calling of meetings,
  - 36 1 6 generally, all such matters as are commonly the subject matter of Company Rules
- 36 2 The Company in general meeting shall have power to alter, add to or repeal the Rules or Bye Laws and the Directors shall adopt such means as they deem sufficient to bring to the notice of Shareholders of the Company all such Rules or Bye Laws, which, so long as they shall be in force, shall be binding on all Shareholders of the Company PROVIDED NEVERTHELESS THAT no Rule or Bye Law shall be inconsistent with, or shall affect or repeal anything contained in, these Articles

Name of each subscriber	Authentication by each subscriber