

**ARTICLES OF ASSOCIATION OF
THE ASSOCIATION OF COMMUNITY ORGANISATIONS FOR REFORM NOW LIMITED**

1. Exclusion of the Model Articles

1.1. The Model Articles are hereby expressly excluded.

2. Interpretation

2.1. In the Articles, unless the context requires otherwise, the following terms shall have the following meanings:

"Act" means the Companies Act 2006;

"Address" includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;

"Articles" the Company's articles of association for the time being in force;

"asset-locked body" means(i) a community interest company, a charity; or (ii) any company with an asset-lock written into its articles of association; or (iii) a body established outside the United Kingdom that is equivalent to any of those;

"Board" means the board of directors from time to time of the Company.

"Circulation Date": in relation to a written resolution, has the meaning given to it in the Act;

"Community" is to be construed in accordance with Section 35(5) of the Company's (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;

"Conflict of Interest" is 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" is a director of the Company;



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

"Electronic Means": has the meaning given in section 1168 of the Act;

"Subsidiary" has the meaning given in section 1159 of the Act.

"Member" means a person or organisation who is a subscriber to the Memorandum or who is admitted to membership in accordance with the Articles;

"Model Articles": means the model articles for private companies limited by guarantee contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229);

"Regions" are the regions of England, Wales and Scotland

3. Name

3.1. The name of the organisation is "The Association of Community Organisation for Reform Now Limited". hereafter known as **"the Company"**.

3.2 The name of the Company may be changed by:

- (a) Decision of the Directors; or
- (b) A Special Resolution of the Members,

or otherwise in accordance with the Act.

4. Asset Lock

4.1. The Company shall not transfer any of its assets other than for full consideration.

4.2. Article 4.1 shall not apply to:

4.2.1. the transfer of assets to any asset-locked body; and

4.2.2. 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.

4.3. If the Company is wound up under the Insolvency Act 1986 and all its liabilities have been satisfied, any residual assets shall be given or transferred to the asset-locked body specified in Article 4.4 below.

4.4. For the purposes of this Article 4, the following asset-locked body is specified as a potential recipient of the Company's assets under Articles 4.2 and 4.3:

Name: ACORN International

Registered Office: 2221 St Claude Nola 70117 USA

5. Not for profit

- 5.1. The Company is not established or conducted for private gain. Any surplus or assets are used principally for the promotion of the objects of the company as detailed in Article 6.

6. Objects

- 6.1. The objects of the Company are:
- 6.1.1. To promote social inclusion for the public benefit by preventing people from becoming socially excluded (for example due to unemployment, financial hardship, poor housing etc.), relieving the needs of those people who are socially excluded and assisting them to integrate into society.
 - 6.1.2. The prevention or relief of poverty in the UK by providing: advice, support and services to individuals in need and / or charities and other organisations working to prevent or relieve poverty.
 - 6.1.3. To promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the UK, for example by:
 - a) Raising awareness of human rights issues;
 - b) Promoting respect for human rights among individuals and corporations;
 - c) Eliminating infringements of human rights.

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, may borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds.

8. Liability of Members

- 8.1. The liability of each member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while they are a Member, for:
- 8.1.1. payment of the Company's debts and liabilities contracted before they cease to be a member;
 - 8.1.2. payment of the costs, charges and expenses of winding up; and

8.1.3. adjustment of the rights of the contributories among themselves.

9. Membership

9.1. The Directors from time to time shall be the only persons admitted as Members. A Director shall become a Member on becoming a Director. Both unincorporated and incorporated organisations may also be admitted as Members by the Directors.

9.2 The Company shall maintain a register of Members and any person or organisation ceasing to be a Member shall be removed from the Register.

9.3 Membership is not transferable.

10. Termination of membership

10.1 A Member shall cease to be a Member if they:

- (a) cease to be a Director;
- (b) die; or
- (c) as determined by the Board.

11 General meetings of Members

11.1 The Directors may call a general meeting of the Members at any time and such a meeting shall be held in accordance with the Act.

11.2 General meetings shall be called on notice in accordance with the Act and proceedings at a general meeting shall not be invalidated because a person entitled to receive notice of the meeting did not receive it due to an accidental omission by the Company.

11.3 No business shall be transacted at any general meeting unless a quorum is present. A quorum is a majority of Members who are present in person or by proxy or through their duly authorised representatives and who are entitled to vote on the business to be conducted at the meeting.

11.4 A Member is entitled to appoint another person as their proxy, in accordance with the Act, to exercise all or any of their rights to attend and to speak and vote at a meeting of the Company.

11.5 The chair of Directors shall chair general meetings of the Company or, if they are absent, the vice-chair of Directors shall act as chair. If neither the chair nor the vice-chair of Directors is present within 15 minutes of the time appointed for the meeting, a Director elected by the Directors present shall chair the meeting.

11.6 A vote on a resolution proposed at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded.

11.7 The setting of the annual budget requires a Special Resolution of Members

11.8 On a show of hands or on a poll, every Member, whether an individual or an organisation, shall have one vote.

11.9 Any objection to the qualification of any voter must be raised 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 such objection must be referred to the chair of the meeting whose decision is final.

11.10 Unless a poll is demanded, the declaration of the chair of the result of the vote and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact and the number or proportion of votes cast in favour or against need not be recorded.

12. Written Resolutions

12.1 Subject to Article 12.4, a written resolution of the Members passed in accordance with this Article 12 shall have effect as if passed by the Members in a general meeting. A written resolution is passed:

- (a) as an ordinary resolution if it is passed by a simple majority of the eligible Members; or
- (b) as a Special Resolution if it is passed by Members representing not less than 75% of the eligible Members. A written resolution is not a Special Resolution unless it states that it was proposed as a Special Resolution.

12.2 Where a resolution is proposed as a written resolution of the Company, the eligible Members are the Members who would have been entitled to vote on the resolution on the Circulation Date of the resolution.

12.3 Any resolution of the Members for which the Act does not specify whether it is to be passed as an ordinary resolution or as a Special Resolution, shall be passed as an ordinary resolution.

12.4 A Members' resolution under the Act removing a Director or an auditor before the expiration of his term of office may not be passed as a written resolution.

12.5 A copy of the written resolution must be sent to every Member together with a statement informing the Member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse.

12.6 A Member signifies their agreement to a proposed written resolution when the Company receives from them (or from someone acting on their behalf) an authenticated document identifying the resolution to which it relates and indicating the Member's agreement to the resolution. A Member's agreement to a proposed written resolution, once signified, cannot be revoked. For these purposes:

- (a) if the document is sent to the Company in hard copy form, it is authenticated if it bears the signature of the person sending it;

(b) if the document is sent to the Company in electronic form, it is authenticated if the identity of the sender is confirmed in a manner specified by the Company or, where no such manner has been specified by the Company, if it is accompanied by a statement of the identity of the sender and the Company has no reason to doubt the truth of that statement.

12.7 A written resolution is passed when the required majority of eligible Members have signified their agreement to it.

12.8 A proposed written resolution shall lapse if it is not passed within 28 days beginning with the Circulation Date.

12.9 The Members may require the Company to circulate a resolution that may properly be moved and is proposed to be moved as a written resolution in accordance with sections 292 and 293 of the Act.

13. Directors

13.1. Any person who's willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

13.1.1. by an election organised by the Directors to replace a vacancy in accordance with Article 18.3.2;

13.1.2. by appointment following a majority vote in favour by the Board.

13.2 The number of Directors shall not be subject to any maximum but shall not be less than three.

13.3 Any Director shall be appointed for a term of two years, at the end of which they shall retire.

13.4 A retiring Director shall be eligible for reappointment by the Directors.

13.5 If the number of votes for and against a proposal at a meeting of Directors are equal, the chair has a casting vote.

14. Powers of Directors

14.1. Subject to the provisions of the Act, and these Articles, the Directors shall be responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

14.2 A meeting of the Directors at which a quorum is present may exercise all the powers exercisable by the Directors.

15. Delegation by Directors

15.1. Subject to the Articles, the Board may delegate, on such terms as they think fit, any of their powers or functions to any person or committee.

15.2. If the Board so specifies, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

15.3 The terms of a committee may include conditions imposed by the Directors including that:

(a) the relevant powers are to be exercised exclusively by the committee to whom the Board delegates; and

(b) no expenditure or liability may be incurred on behalf of the Company except where approved by the Board or in accordance with a budget previously agreed by the Board.

15.4 Persons, who are not Directors, may be appointed as members of a committee, subject to the approval of the Board.

15.5 Every committee shall act in accordance with the terms of reference on which powers or functions are delegated to it and, subject to that, committees shall follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.

15.6 The terms of any delegation to a committee shall be recorded in the minute book.

15.7. The Board may revoke any delegation in whole or part, or alter its terms and conditions.

15.8 All acts and proceedings of the person(s) to whom the powers of a Director have been delegated to shall be fully and promptly reported to the Directors.

16. Decision making by Directors

16.1. Directors are to take decisions collectively.

16.2. With the exception of the annual budget, which requires a Special Resolution of Members, any decision of the Directors shall be decided by either a majority of votes at a meeting or a majority decision taken by any other means, subject to the agreement of all those who would have been eligible to attend and vote at a physical meeting.

16.3. In all proceedings of Directors each Director must not have more than one vote other than in case of an equality of votes, the Chair shall have a second or casting vote.

17. Directors meetings

17.1. A Directors meeting will be called if

(a) the Chair calls one; or

(b) if a majority of Directors agree that a meeting is needed.

17.2 Any Director can propose a meeting but a majority vote by the Directors in favour of a meeting is required in order for it to proceed. Any Director can request that the

Chair call a meeting but subject to the majority rule above this will be at the Chair's discretion.

17.3 Notice of a meeting of the Directors must be given to each Director, but need not be in writing. The notice must specify:

- (a) the time, date and place of the meeting;
- (b) the general particulars of the business to be considered at the meeting; and
- (c) if it is anticipated that the 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.

17.4 Any Director may participate in a meeting of the Directors in person or by means of video conference, telephone or any suitable electronic means agreed by the Directors and by which all those participating in the meeting are able to communicate with all other participants.

17.5 If all the Directors participating in the meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever the chair of the meeting is.

18. Quorum at Directors meetings

18.1. At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting. The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors provided it shall not be less than two and unless otherwise fixed, it is two

18.2. At each meeting of the Board of Directors, at least a majority of the Directors shall be present in order to constitute a quorum for the transaction of business. Unless otherwise indicated herein, a majority vote of quorum shall suffice for the full validation of a Board Decision.

18.3. If the total number of Directors at a given time is less than the quorum required, the Directors must not take any decision other than a decision:

- 18.3.1. to appoint further interim Directors; or
- 18.3.2. to call an election so as to enable the Members to elect further Directors.

19 Conflicts of interest

19.1. A Director must declare the nature and extent of any interest, direct or indirect, which they have 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.

19.2 A Director must absent themselves from any discussions of the Directors in which it is possible that a conflict will arise between their duty to act solely in the interests of the Company and any personal interest (including but not limited to any personal financial interest).

19.3 If a conflict of interests arises for a Director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the Articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:

- (a) the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
- (b) the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting; and
- (c) the unconflicted directors consider it is in the interests of the Company to authorise the conflict of interests in the circumstances applying.

In this Article 19.3 a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or to a connected person.

19.4 The Directors shall keep and maintain a register of Directors' interests declared in the Company's records.

20. Termination of Director's appointment

20.1. In addition to expiry of a Director's term of office, a person ceases to be a Director:

- 20.1.1. by virtue of any provision of the Companies Acts, or is prohibited from being a Director by law;
- 20.1.2. if the Director resigns from office with [three] months written notice;
- 20.1.3. if the Director fails to attend three consecutive meetings of the Directors;
- 20.1.4. if they become incapable for medical reasons of fulfilling the duties of their office and such incapacity is expected to continue for a period of more than six months; or
- 20.1.5 if the Board determines that the Director be removed from office following a properly investigated complaint into their conduct.

20.2. In the event that a Director resigns or has their appointment terminated before the end of their term, the Board will organise an election to replace them until the end

of the original Director's term for which the electorate shall be the same as that which elected the departing Director.

21. Directors' remuneration

21.1. Directors are not entitled to receive any remuneration for their services to the Company as Directors.

22. Directors' expenses

22.1. The Company may pay any reasonable expenses which the Directors properly incur in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

23 Amendments to the Articles

23.1. An amendment to the Articles may only be made where a Member or the Board of Directors has circulated a proposal to amend the Articles to all Members and either a written resolution or a special resolution at a general meeting has been passed by 75% of those Members in attendance and eligible to vote (taking account only of those votes cast in favour as compared with those votes against).

24. Irregularities

24.1. The proceedings at any meeting or 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 by accidental omission to give or any non-receipt of notice) or want of qualification in any of the persons present or voting or by reason of any business being 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.

25. Minutes

25.1. The Directors must cause the Company to keep the following records in writing and in permanent form:

25.1.1. particulars of appointments of officers made by the Directors;

25.1.2. copies of resolutions of the Company and of the Directors, including those passed otherwise than at general meetings or at meetings of the Directors; and

25.1.3. minutes of proceedings at general meetings of the Company and of the Directors, and of committees of Directors, including the names of the Directors present at each such meeting.

25.2. In accordance with the Act, the minutes must be kept for ten years from the date of the meeting, resolution or decision.

26. Records & Accounts

26.1. The Directors shall comply with the requirements of the Act as to maintaining a Members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies of:

26.1.1. annual reports;

26.1.2. annual returns; and

26.1.3. annual statements of account.

26.2. Accounting and other records relating to the Company are not available for inspection except as

(a) provided by law;

(b) authorised by the Directors; or

(c) authorised by an ordinary resolution of the Members of the Company.

No member is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member.

27. Company seals

27.1 Any common seal or logos may only be used by the authority of the Directors.

27.2. The Directors may decide by what means and in what form any common seal is to be used.

27.3 Unless otherwise decided by the Directors, if the seal is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

27.4 For the purposes of this Article, an authorised person is:

(a) any Director;

(b) the secretary (if any); or

(c) any person authorised by the Directors for the purpose of signing documents to which the seal is applied.