

SPECIAL RESOLUTION

THE COMPANIES ACT 2006

Section 56 of the Charities and Trustee Investment (Scotland) Act 2005

UPWARD MOBILITY LTD.

COMPANY NUMBER: SC309982

CHARITY NUMBER: SC037917

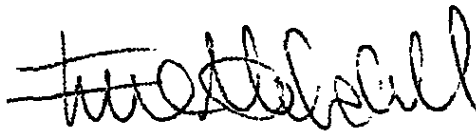
CHANGE OF COMPANY'S ARTICLES OF ASSOCIATION

At an extraordinary general meeting of the members of the above-named company, duly convened and held at Royal Bank of Scotland Conference Centre, 175 Glasgow Road, Edinburgh, EH12 9SB on 5th December 2019.

The following Special Resolution was duly passed:

- 1 The attached articles of association be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association (which, by virtue of the Companies Act 2006 are deemed to include the provisions of the amended memorandum of association of the Company).

Signed



Chair of the Board

Date 6th January 2020

WEDNESDAY



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15/01/2020

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COMPANIES HOUSE

THE COMPANIES ACT 2006
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
ARTICLES of ASSOCIATION
of
UPWARD MOBILITY LTD

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THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES of ASSOCIATION

of

UPWARD MOBILITY LTD

Constitution of company

- 1 The model articles of association as prescribed in Schedule 2 to The Companies (Model Articles) Regulations 2008 are excluded in respect of this company.

Defined terms

- 2 In these articles of association, unless the context requires otherwise:
 - 2.1 "Act" means the Companies Act 2006;
 - 2.2 "charity" means a body which is either a "Scottish charity" within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a "charity" within the meaning of section 1 of the Charities Act 2006, providing (in either case) that its objects are limited to charitable purposes;
 - 2.3 "charitable purpose" means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts;
 - 2.4 "electronic form" has the meaning given in section 1168 of the Act;
 - 2.5 "OSCR" means the Office of the Scottish Charity Regulator; and
 - 2.6 "property" means any property, heritable or moveable, real or personal, wherever situated.
- 3 Any reference to a provision of any legislation (including any statutory instrument) shall include any statutory modification or re-enactment of that provision in force from time to time.

Objects

- 4 The company's objects are the advancement of mental health.
- 5 The company's objects are restricted to those set out in article 4 (but subject to article 6).

- 6 The company may (subject to first obtaining the consent of OSCR) add to, remove or alter the statement of the company's objects in article 4; on any occasion when it does so, it must give notice to the registrar of companies and the amendment will not be effective until that notice is registered on the register of companies.

Powers

- 7 The Company may carry out any activity and 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.

Restrictions on use of the company's assets

- 8 Subject to article 9:
- 8.1 the income and property of the company shall be applied solely towards promoting the company's objects (as set out in article 4);
 - 8.2 no part of the income or property of the company shall be paid or transferred (directly or indirectly) to the Board, whether by way of dividend, bonus or otherwise;
 - 8.3 subject to clause 39 no director of the company shall be appointed as a paid employee of the company and no director shall hold any office under the company for which a salary is payable; and
 - 8.4 no benefit (whether in money or in kind) shall be given by the company to any director except repayment of out-of-pocket expenses.
- 9 The company shall, notwithstanding the provisions of article 8, be entitled:
- 9.1.1 to pay a rent not exceeding the market rent for premises let to the company by any member of the company; and
 - 9.1.2 to make any transfer or payment to a member where such transfer or payment is made in direct furtherance of the purposes of the company.

General structure

- 10 The structure of the Company consists of the directors who are also the Company's only members and comprise the Board. The Board have important powers under the constitution, take decisions on changes to the constitution itself, hold regular meetings, and generally control the activities of the Company. Without prejudice to the generality of the foregoing, the Board is responsible for monitoring and controlling the financial position of the Company.
- 11 The individuals making up the Board are referred to in these articles as directors.

Liability of Directors

- 12 Each director undertakes that if the company is wound up while he/she is a director (or within one year after he/she ceases to be a director, he/she will contribute - up to a maximum of £1 - to the assets of the company, to be applied towards:
- 12.1 payment of the company's debts and liabilities contracted before he/she ceases to be a director;
 - 12.2 payment of the costs, charges and expenses of winding up; and
 - 12.3 adjustment of the rights of the contributories among themselves.
- 13 The directors have certain legal duties under the Companies Act 2006 and Charities and Trustee Investment (Scotland) Act 2005; and article 12 does not exclude (or limit) any personal liabilities they might incur if they are in breach of those duties or in breach of other legal obligations or duties that apply to them personally.

Qualifications for Directorship

- 14 The subscribers to the Memorandum are the first members and directors of the Company.
- 15 Directorship is open to all and no application for directorship will be refused, other than on reasonable grounds. There will be no discrimination on grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex; sexual orientation, political or other opinion.
- 16 Subject to clause 39, employees of the company shall not be eligible for directorship.
- 17 A person will not be eligible for appointment to the Board if he/she is disqualified by law from being a director or charity trustee.

Number of Directors

- 18 The maximum number of directors shall be 12.

Application for directorship

- 19 Any person who wishes to become a director must sign, and lodge with the company, a written application.
- 20 The Board shall consider each application at the first board meeting which is held after receipt of the application and the board will, within a reasonable time after the meeting, notify the applicant of their decision on the application.
- 21 If an application has been refused, an appeal may be made in writing to the Board, who shall consider the appeal at its next meeting after the appeal is received, and who shall respond in writing to the applicant within 21 days of the meeting. The decision on such appeals is final.

Directors' subscription

- 22 No subscription shall be payable.

Register of Directors and People with Significant Control

- 23 The directors shall maintain a register of directors, setting out the full name and address of each director, the date on which he/she was admitted to directorship, and the date on which any person ceased to be a director.
- 24 The Directors shall maintain a register of:
 - 24.1 Directors - setting out the full name and address of each director, the date on which he/she was admitted to directorship, and the date on which any person ceased to be a director; and
 - 24.2 People with Significant Control (the PSC Register) - setting out for each person the name, service address, usual country/state of residence, nationality, date of birth, usual residential address, date on which the individual became registrable and the nature of control.

Term of office for Directors

- 25 Each director shall resign from office after four years and may immediately reapply for directorship, subject to a maximum of two consecutive terms.
- 26 Former directors having previously served two consecutive terms according to article 25 may reapply for directorship immediately if no replacement director can be found.

Withdrawal from directorship

- 27 Any person who wishes to withdraw from directorship shall sign, and lodge with the company, a written notice to that effect. On receipt of the notice by the company, he/she shall cease to be a director.

Termination of office

28 A director shall automatically vacate office if:

- 28.1 he/she ceases to be a director through the operation of any provision of the Act or becomes prohibited by law from being a director;
- 28.2 he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than six months;
- 28.3 he/she dies;
- 28.4 he/she becomes an employee of the company, subject to clause 39;
- 28.5 he/she resigns office by notice to the company;
- 28.6 he/she completes two consecutive terms of four years as set out in article 25;
- 28.7 he/she is removed from office by resolution of the Board on the grounds that he/she is considered to have committed a material breach of the code of conduct for directors (as referred to in articles 34.6 and 34.7) and the directors resolve to remove him/her from office;
- 28.8 he/she is absent (without permission of the directors) from more than three consecutive meetings of the directors, and the directors resolve to remove him/her from office;
- 28.9 he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 168 of the Act; or
- 28.10 he/she is removed from office for any other reason by resolution of the Board.

Transfer of directorship

29 Directorship may not be transferred to another person.

Office bearers

- 30 The directors may elect from among themselves office bearers such as a chair, a treasurer and a secretary, or may appoint a secretary, as they consider appropriate.
- 31 A person/nominated individual elected to any office will automatically cease to hold that office:
 - 31.1 if he/she ceases to be a director; or
 - 31.2 if he/she gives to the organisation a signed notice of resignation from that office.

Powers of Board

- 32 Subject to the provisions of the Act and these articles, and subject to any directions given by special resolution, the company and its assets and undertaking shall be managed by the directors, who may exercise all the powers of the company.
- 33 A meeting of the directors at which a quorum is present may exercise all powers exercisable by the directors.

Conduct of Directors

- 34 Each of the directors shall, in exercising his/her functions as a director of the company, act in the interests of the company; and, in particular, must:
- 34.1 seek, in good faith, to ensure that the company acts in a manner which is in accordance with its objects;
 - 34.2 promote the success of the company;
 - 34.3 exercise independent judgement;
 - 34.4 act with the due care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
 - 34.5 in circumstances giving rise to the possibility of a conflict of interest of interest between the company and any other party:
 - 34.5.1 put the interests of the company before that of the other party, in taking decisions as a director;
 - 34.5.2 where any other duty prevents him/her from doing so, disclose the conflicting interest to the company and refrain from participating in any discussions or decisions involving the other directors with regard to the matter in question.
 - 34.6 Each director shall comply with the code of conduct (incorporating rules on conflict of interest) prescribed by the board from time to time.
 - 34.7 The code of conduct shall be supplemental to the provisions in these articles relating to director's conduct and as prescribed by law.

Personal interests

- 35 A director who has a personal interest in any transaction or other arrangement which the company is proposing to enter into must declare that interest at a meeting of the directors. He/she will be debarred from voting on the question of whether or not the company should enter into that arrangement.
- 36 For the purposes of the preceding article, a director shall be deemed to have a personal interest in an arrangement if any partner or other close relative of his/hers **or** any firm of which he/she is a partner **or** any limited company of which he/she is a substantial

shareholder or director (or any other party who/which is deemed to be connected with him/her for the purposes of the Act), has a personal interest in that arrangement.

37 Provided:

37.1 he/she has declared his/her interest; and

37.2 he/she has not voted on the question of whether or not the company should enter into the relevant arrangement

a director will not be debarred from entering into an arrangement with the company in which he/she has a personal interest and may retain any personal benefit which he/she gains from his/her participation in that arrangement.

38 Subject to clause 39, no director may serve as an employee (full time or part time) of the company, and no director may be given any remuneration by the company for carrying out their duties as a director.

39 For the avoidance of doubt, it is permissible for a Director to be employed in an executive position, provided that the requirements as set out in Section 67 of the Charities and Trustee Investment (Scotland) Act 2005 are satisfied:

39.1.1 the maximum amount of the remuneration is set out (as a specific sum or ascertainable by formula) in a written agreement with the charity;

39.1.2 the maximum amount of the remuneration is reasonable in the circumstances;

39.1.3 the Board is satisfied that it would be in the interests of the charity for the agreement to be entered into for specific services to be carried out by the Director in question (or someone connected to that director) for that maximum remuneration;

39.1.4 less than half of the Board is receiving remuneration, or is connected to someone who is receiving remuneration.

Procedure at directors' meetings

40 Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.

41 Questions arising at a meeting of the directors shall be decided by a majority of votes; if an equality of votes arises, the chairperson of the meeting shall have a casting vote.

42 No business shall be dealt with at a meeting of the directors unless a quorum is present; the quorum for meetings of the directors shall be two if the number of directors is less than six, three if the number of directors is six or more.

- 43 If at any time the number of directors in office falls below the number fixed as the quorum, the remaining director(s) may act only for the purpose of filling vacancies or of calling a general meeting.
- 44 Unless he/she is unwilling to do so, the chair of the company shall preside as chairperson at every directors' meeting at which he/she is present; if the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the directors present shall elect from among themselves the person who will act as chairperson of the meeting.
- 45 A director may participate in a meeting of the directors or a meeting of a committee of directors by means of a telephone, video conferencing facility or similar communications equipment whereby all the directors participating in the meeting can hear each other. A director participating in a meeting in this manner shall be deemed to be present in person at the meeting.
- 46 The directors may, at their discretion, allow any person who they reasonably consider appropriate, to attend and speak at any meeting of the directors. For the avoidance of doubt, any such person who is invited to attend a directors' meeting shall not be entitled to vote.
- 47 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote, e.g. if there is a conflict of interest.

Delegation to sub-committees

- 48 The directors may delegate any of their powers to any sub-committee consisting of one or more directors and such other persons (if any) as the directors may determine; they may also delegate to the chair of the company (or the holder of any other post) such of their powers as they may consider appropriate.
- 49 Any delegation of powers under article 46 may be made subject to such conditions as the directors may impose and may be revoked or altered.
- 50 The rules of procedure for any sub-committee shall be as prescribed by the directors.

General Meetings

- 51 The directors may convene an annual general meeting in each year.
- 52 Not more than 15 months shall elapse between one annual general meeting and the next.
- 53 The business of each annual general meeting should include:
- 53.1 a report by the chair on the activities of the company;
 - 53.2 consideration of the annual accounts of the company;
 - 53.3 any proposed resolutions.
- 54 The directors may convene an extraordinary general meeting at any time.
- 55 The directors must convene an extraordinary general meeting within 8 weeks if there is a valid requisition by directors (under section 303 of the Act) or a requisition by a resigning auditor (under section 518 of the Act).

Notice of general meetings

- 56 At least 14 clear days' notice must be given of general meetings.
- 57 The reference to "clear days" in article 54 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, (or, in the case of a notice sent by electronic means, the day after it was sent) and also the day of the meeting, should be excluded.
- 58 A notice calling a meeting shall specify the date, time and place of the meeting. It shall
- 58.1 indicate the general nature of the business to be dealt with at the meeting; and
 - 58.2 if a special resolution (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution.
- 59 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting. Any other general meeting shall be called an extraordinary general meeting.

60 Notice of every general meeting shall be given:

60.1 in hard copy form;

60.2 in writing or, (where the individual to whom notice is given has notified the company of an address to be used for the purpose of electronic communication) in electronic form; or

60.3 (subject to the company notifying directors of the presence of the notice on the website, and complying with the other requirements of section 309 of the Act) by means of a website.

Special resolutions and ordinary resolutions

61 For the purposes of these articles, a “special resolution” means a resolution passed by 75% or more of the votes cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 54 to 58; for the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution as compared with the number of votes cast against the resolution, and accordingly no account shall be taken of abstentions or directors absent from the meeting.

62 In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution:

62.1 to alter its name

62.2 to alter any provision of these articles or adopt new articles of association

62.3 to voluntarily wind up the company.

63 For the purposes of these articles, an “ordinary resolution” means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes against), at a general meeting, providing proper notice of the meeting has been given in accordance with articles 54 to 58.

Written resolutions

64 A resolution agreed to in writing (including by e-mail) by all the directors will be as valid as if it had been passed at a general or Board meeting. The date of the resolution will be taken to be the date on which the last director agreed to it and it must be unanimous.

Procedure at general meetings

65 No business shall be dealt with at any general meeting unless a quorum is present; the quorum for meetings shall be determined at the discretion of the directors but shall never be less than 3 individuals entitled to vote (each being a director or a proxy for a director).

66 If a quorum is not present within 15 minutes after the time at which a general meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting

shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.

67 The chair of the company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting; if the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.

68 The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.

69 Every director shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy.

70 If a director is unable to attend any general meeting, they may attend the meeting remotely by telephone, videolink, Skype, and other internet VOIP or teleconferencing mechanisms.

71 Any director who wishes to appoint a proxy to vote on his/her behalf at any meeting (or adjourned meeting):

71.1 shall lodge with the company, at the company's registered office or such address as may be specified in the Notice of General Meeting, a written instrument of proxy (in such form as the directors require), signed by him/her; or

71.2 shall send by electronic means to the company, at such electronic address as may have been notified to the directors by the company for that purpose, an instrument of proxy (in such form as the directors require);

providing (in either case), the instrument of proxy is received by the company at the relevant address not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting).

72 An instrument of proxy which does not conform with the provisions of article 69, or which is not lodged or sent in accordance with such provisions, shall be invalid.

73 A director shall not be entitled to appoint more than one proxy to attend on the same occasion.

74 A proxy appointed to attend and vote at any meeting instead of a director shall have the same right as the director who appointed him/her to speak at the meeting and need not be a director of the company.

75 The termination of a proxy's authority by the director appointing him does not invalidate the vote given or ballot demanded, unless the company receives notice of the termination before the commencement of the meeting or adjourned meeting. Such notice should be received by the company at the company's registered office or such address as may be specified in the Notice of General Meeting (or, where sent by electronic means, was received by the company at the address notified by the company to the directors for the purpose of electronic communications).

- 76 If there are an equal number of votes for and against any resolution, the chairperson of the meeting shall be entitled to a casting vote.
- 77 A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least two persons present in person at the meeting and entitled to vote (whether as directors or proxies for directors)); a secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.
- 78 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.

Minutes

- 79 The directors shall ensure that minutes are made of all proceedings at general meetings, directors' meetings and meetings of committees. A minute of any meeting shall include the names of those present, and (as far as possible) shall be signed by the chairperson of the meeting.

Operation of bank accounts

- 80 The signatures of two of the signatories appointed by the directors shall be required (other than lodgement of funds) in relation to the bank and building society accounts held by the company.

Accounting records and annual accounts

- 81 The Board must ensure that proper accounting records are kept, in accordance with all applicable statutory requirements.
- 82 The Board must prepare an annual statement of account, complying with all relevant statutory requirements; which includes deciding the correct format of the accounts, and the appropriate external scrutiny requirement by either a registered auditor or an appropriately qualified independent examiner.

Notices

- 83 Any notice which requires to be given to a director under these articles shall be given either in writing or by way of an electronic communication; such a notice may be given personally to the director or sent by post in a pre-paid envelope addressed to the director at the address last intimated by him/her to the company or may be given to the director by way of an electronic communication.
- 84 Any notice, if sent by post, shall be deemed to have been given at the expiry of 24 hours after posting; for the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.
- 85 Any notice contained in an electronic communication shall be deemed to have been given at the expiry of 24 hours after it is sent; for the purpose of proving that any electronic

communication was sent, it shall be sufficient to provide any of the evidence referred to in the relevant guidance issued from time to time by the Chartered Institute of Secretaries and Administrators.

Dissolution and wind-up of the organisation

- 86 If on the winding-up of the company any property remains after satisfaction of all the company's debts and liabilities, such property shall not be paid to or distributed among the directors of the company but shall instead be transferred to some other charity or charities (whether incorporated or unincorporated) or other asset locked body whose objects are altogether or in part similar to the objects of the company.
- 87 The charity or charities or asset locked body to which property is transferred under article 84 shall be determined by the directors of the company at or before the time of dissolution or, failing such determination, by such court as may have jurisdiction at that time.
- 88 To the extent that effect cannot be given to the provisions of articles 84 and 85, the relevant property shall be applied to some other charitable purpose or purposes.

Indemnity

- 89 Every director or other officer or auditor of the company shall be indemnified (to the extent permitted by sections 232, 234, 235, 532 and 533 of the Act) out of the assets of the company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office; that may include, without prejudice to that generality, (but only to the extent permitted by those sections of the Act), any liability incurred by him/her in defending any proceedings (whether civil or criminal) in which judgement is given in his/her favour or in which he/she is acquitted or any liability in connection with an application in which relief is granted to him/her by the court from liability for negligence, default or breach of trust in relation to the affairs of the company.
- 90 The company shall be entitled to purchase and maintain for any director insurance against any loss or liability which any director or other officer of the company may sustain or incur in connection with the execution of the duties of his/her office, and such insurance may extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a director).