

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE

Articles of Association of SPIRIT Advocacy

PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

Defined terms

1. In the articles, unless the context requires otherwise— “articles” means the company’s articles of association;

“associate members” shall be such persons nominated as representative members by organisations of which they are members whether incorporate or unincorporated all which support the charitable purposes of the company;

“bankruptcy” Includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“chairman” has the meaning given in article 15;

“chairman of the meeting” has the meaning given in article 34;

“charitable” means that which is charitable in terms of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as charitable in relation to the application of the Taxes Acts;

“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 charitable purposes are limited to charitable purposes;

“charitable purpose” shall mean 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 Act.

“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;

WEDNESDAY



S9H3ZH4J

SCT

04/11/2020

#7

COMPANIES HOUSE

“Co-opted director” means a director co-opted by the other directors.

“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;

“elected director” means a director elected by the members in general meeting

“electronic form” has the meaning given in section 1168 of the Companies Act 2006; “HUG” is a collective advocacy group for people with an experience of mental illness and is a project of SPIRIT Advocacy;

“HUG director” means a director nominated by members of HUG

“member” has the meaning given in section 112 of the Companies Act 2006;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

“participate”, in relation to a directors’ meeting, has the meaning given in article 13;

“People First Highland” is a collective advocacy group for people who have a learning disability and is a project of SPIRIT Advocacy;

“People First director” means a director nominated by members of People First Highland

“proxy notice” has the meaning given in article 40;

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

“subsidiary” has the meaning given in section 1159 of the Companies Act 2006; and

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability of members

2. 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 he is a member or within one year after he ceases to be a member, for -

- (a) payment of the company’s debts and liabilities contracted before he ceases to be a member,**
- (b) payment of the costs, charges and expenses of winding up, and**
- (c) adjustment of the rights of the contributories among themselves.**

PART 2

COMPANY'S CHARITABLE PURPOSES, POWERS AND USE OF ASSETS

Charitable purposes

3. The company's charitable purposes are specifically restricted to the following:

- 1) The aims and charitable purposes of the company shall be:**
 - a.) The promotion of equality and diversity and the elimination of stigma and discrimination against people with learning disabilities, mental health problems and associated conditions.**
 - b.) The advancement of citizenship and community development by strengthening the collective voice of people with learning disabilities, mental health problems and associated conditions and enabling them to express their own views and make their own decisions.**
 - c.) The promotion of positive mental health and wellbeing of people with learning disabilities, mental health problems and related conditions.**
 - d.) Improve the lives and experiences of people with learning disabilities, mental health problems and related conditions.**

Powers of the Company

4. In furtherance of those charitable purposes (but not otherwise), the company shall have the following powers:-

- (a) To provide and support collective advocacy groups.**
- (b) To bring together in collaborative effort agencies and other bodies.**
- (c) To promote support or conduct such projects as may further the above purposes.**
- (d) To prepare, print, publish, issue and/or circulate (gratuitously or otherwise) reports, periodicals, books, pamphlets, leaflets, posters or other printed matter, DVDs and other material.**
- (e) To advise in relation to, organise and/or conduct seminars, training courses, exhibitions, meetings and lectures.**
- (f) To share and promote good practice nationally and internationally.**
- (g) To promote, support and/or undertake community consultation, research and experimental work and disseminate the results of such research and experimental work.**
- (h) To provide evidence for central or local government or other enquiries.**

- (i) To acquire and take over the whole or any part of the undertaking and liabilities of any person entitled to any property or rights suitable for any of the charitable purposes of the company.
- (j) To purchase, take on feu, lease, hire, take in exchange, and otherwise acquire any property and rights which may be advantageous for the purposes of the activities of the company.
- (k) To improve, manage, exploit, develop, turn to account and otherwise deal with all or any part of the undertaking, property and rights of the company.
- (l) To sell, feu, let, hire, licence, give in exchange and otherwise dispose of all or any part of the undertaking, property and rights of the company.
- (m) To lend money and give credit to any person, with or without security, and to grant guarantees and contracts of indemnity on behalf of any person.
- (n) To borrow money and give security for the payment of money by, or the performance of other obligations of, the company or any other person.
- (o) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments.
- (p) To remunerate any individual in the employment of the company and to establish, maintain and contribute to any pension or superannuation fund for the benefit of, and to give or procure the giving of any donation, pension, allowance or remuneration to, and to make any payment for or towards the insurance of, any individual who is or was at any time in the employment of the company and the spouse, widow/widower, relatives and dependents of any such individual; to establish, subsidise and subscribe to any institution, association, club and fund which may benefit any such person.
- (q) To promote any private Act of Parliament or other authority to enable the company to carry on its activities, alter its constitution or achieve any other purpose which may promote the company's interests, and to oppose or object to any application or proceedings which may prejudice the company's interests.
- (r) To enter into any arrangement with any business, organisation, government or authority which may be advantageous for the purposes of the activities of the company and to obtain from any such organization, government or authority any charter, right, privilege or concession.
- (s) To enter into partnership or any other arrangement for sharing profit, co-operation or mutual assistance with any body, whether incorporated or unincorporated.
- (t) To give any debentures or securities and accept any shares, debentures or securities as consideration for any business, property and rights acquired or disposed of.
- (u) To effect insurance against risks of all kinds.
- (v) To invest moneys of the company not immediately required for the purposes of its activities in such investments and securities (including land in any part of the world) and that in such manner as may from time to time be considered advantageous (subject to compliance with any applicable legal requirement) and to dispose of and vary such investments and securities.
- (w) To establish and support any association or other unincorporated body having charitable purposes altogether or in part similar to those of the company and to

promote any company or other incorporated body formed for the purpose of carrying on any activity which the company is authorised to carry on.

- (x) To amalgamate with any charitable body, incorporated or unincorporated, having charitable purposes altogether or in part similar to those of the company.
- (y) To subscribe for, take, purchase and otherwise acquire and hold shares, stocks, debentures and other interests in any company with which the company is authorised to amalgamate and to acquire and take over the whole or any part of the undertaking, assets and liabilities of any body, incorporated or unincorporated, with which the company is authorised to amalgamate.
- (z) To transfer all or any part of the undertaking, property and rights of the company to any body, incorporated or unincorporated, with which the company is authorised to amalgamate.
- (aa) To subscribe and make contributions to or otherwise support bodies, whether incorporated or unincorporated, and to make donations and award grants for any purpose connected with the activities of the company or with the furtherance of its charitable purposes.
- (bb) To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust for any of the charitable purposes of the company.
- (cc) To take such steps (by way of personal or written appeals, public meeting or otherwise) as may be deemed expedient for the purpose of procuring contributions to the funds of the company, whether by way of subscriptions, grants, loans, donations or otherwise.
- (dd) To set charges for services provided in furtherance of the above charitable purposes or otherwise and earn income therefrom.
- (ee) To carry out any of these charitable purposes in any part of the world as principal, agent, contractor, director or in any other capacity and through an agent, contractor, sub-contractor, director or any person acting in any other capacity and either alone or in conjunction with others.
- (ff) To promote and organise co-operation in the achievement of the above purposes and to that end bring together representatives of the authorities and organisations engaged in the furtherance of the above purposes or any of them.
- (gg) To do anything which may be incidental or conducive to the attainment of any of the charitable purposes of the company.

And it is declared that in this clause where the context so admits "property" means any property, heritable or moveable, real or personal, wherever situated.

Use of assets

5. None of the company assets may be distributed or otherwise applied (on being wound up or at any other time) except to further its charitable purposes.

5.1 Subject to article 5.2

- (a) the income and property of the company shall be applied solely towards the promotion of its charitable purposes as set out in article 3 of these articles of association

- (b) no part of the income and property of the company shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise, to the members of the company
 - (c) no benefit in money or money's worth shall be given by the company to any director except repayment of out-of-pocket expenses, and
 - (d) no director of the company shall be appointed to any office under the company in respect of which a salary or fee is payable.
- 5.2 The company shall, notwithstanding the provisions of article 5.1, be entitled:-
- (a) to pay reasonable and proper remuneration to any director or member of the company in return for particular services (not being of a governance nature) actually rendered for the company save that a majority of directors may not receive such remuneration
 - (b) to pay interest at a rate not exceeding the commercial rate on money lent to the company by any director or member of the company
 - (c) to pay rent at a rate not exceeding the open market rent for premises let to the company by any director or member of the company, and
 - (d) to purchase assets from, or sell assets to, any director or member of the company providing such purchase or sale is a market value.

PART 3

DIRECTORS

Directors' powers and responsibilities

Directors' general authority

6. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

Members' reserve power

7.—(1) The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

(2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

Directors may delegate

8.—(1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles—

- (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions; as they think fit.
- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

Committees

- 9.—(1) Committees to which the directors delegate any of their powers must 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.
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.
- (3) The directors shall establish a learning disabilities advisory committee from among members of People First Highland and a mental health advisory committee from among members of HUG.

Decision-making by directors

Directors to take decisions collectively

10. The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 11.

Unanimous decisions

- 11.—(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

12.—(1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

(2) Notice of any directors' meeting must indicate—

- (a) its proposed date and time;**
- (b) where it is to take place; and**
- (c) 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.**

(3) Notice of a directors' meeting must be given to each director, but need not be in writing.

(4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

13.—(1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when—

- (a) the meeting has been called and takes place in accordance with the articles, and (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.**

(2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

(3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum for directors' meetings

14.—(1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than 5, and unless otherwise fixed it is 5.

(3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

- (a) to appoint further directors, or**
- (b) to call a general meeting so as to enable the members to appoint further directors.**

Chairing of directors' meetings and other offices

15.—(1) The directors may appoint a director to chair their meetings.

(2) The person so appointed for the time being is known as the chairman.

(3) The directors may terminate the chairman's appointment at any time.

(4) The directors may appoint a director as a vice-chairman who shall chair their meetings in the absence of the chair and may terminate that appointment at any time.

- (5) If the chairman or in their absence the vice-chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.**
- (6) The directors may appoint a director to act as treasurer and/or a director to act as company secretary and may terminate such appointments at any time or may appoint persons not being directors to these offices and may terminate such appointments at any time.**

Casting vote

- 16.—(1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.**
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.**

Conflicts of interest

- 17.—(1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.**
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes. (3) This paragraph applies when—**
- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;**
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or**
 - (c) the director's conflict of interest arises from a permitted cause.**
- (4) For the purposes of this article, the following are permitted causes—**
- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;**
 - (b) subscription, or an agreement to subscribe, for securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and**
 - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.**
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.**
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.**

(7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

18. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

Directors' discretion to make further rules

19. Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

Appointment of directors

Maximum number of directors

20. The maximum number of directors shall be eleven; of these, up to three shall be appointed by election of members under the provisions of article 22 (elected directors), up to three shall be appointed under the provisions of article 25(a) (HUG directors), up to three shall be appointed under the provisions of articles 25(b) (People First directors), and up to two shall be directors who are co-opted under the provisions of articles 25(c) (co-opted directors).

Eligibility

21. A person shall not be eligible for election/appointment as a director unless he/she is a member of the company, with the exception of a person appointed as a director under articles 25(c) who need not be a member of the company.

Election, retiral, re-election

22. Elected directors – members shall be eligible to appoint up to 3 members (providing they are willing to act) as directors at general meetings. One third of those appointed shall stand down at each subsequent annual general meeting, and they may offer themselves for re-election. No elected director shall serve for a continuous period of more than 3 years.

23. The directors may at any time appoint any member (providing he/she is willing to act) to be a director to fill a casual vacancy in the elected directors, such person to retire at the next annual general meeting although they may then offer themselves for election.

24. At the first annual general meeting, all directors, other than the HUG directors and People First directors, shall retire from office - but shall then be eligible for election.

25. Appointment of other directors

- (a) HUG directors - HUG shall be entitled to nominate up to three persons to serve as directors; the directors shall, at the directors' meeting which follows receipt of any such notice, appoint the individuals named in the notice as directors with immediate effect.
- (b) People First directors - People First Highland shall be entitled to nominate up to three persons to serve as directors; the directors shall, at the directors' meeting which follows receipt of any such notice, appoint the individuals named in the notice as directors with immediate effect.
- (c) Co-opted directors - the board of directors may at any time co-opt up to two persons to be directors (providing they are willing to act) either on the basis that they have been nominated by a body with which the company has close contact in the course of its activities or on the basis that they have specialist experience and/or skills which could be of assistance to the directors.
- (d) At each annual general meeting, all of the directors appointed under 25(c) shall retire from office – but shall then be eligible for election under article 22 or may be co-opted again by the directors under article 25(c).

Termination of director's appointment

26. A person may not be appointed to be a director or ceases to be a director as soon as—
- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
 - (b) a bankruptcy order is made against that person;
 - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - (d) 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 six months;
 - (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - (f) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
 - (g) that person becomes debarred under any statutory provision from being a charity director;
 - (h) that person has been absent from meetings of the directors for more than six months and the directors have resolved to remove that person from office;

Directors' remuneration

- 27.—(1) Directors may undertake any services for the company that the directors decide.

- (2) Directors are entitled to such remuneration as the directors determine subject to the terms of article 5 and to any statutory provisions affecting companies which are charities for any service other than as a director which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may take any form.
- (4) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

Directors' expenses

28. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at—

- (a) meetings of directors or committees of directors,
- (b) general meetings, or
- (c) separate meetings of the holders of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

PART 4 MEMBERS

Becoming and ceasing to be a member

Applications for membership

29. Membership is open to all those who have a personal, caring or professional interest in furthering the aims of SPIRIT Advocacy. Members are encouraged to take an active part in the organisation, including fundraising, as a member of sub-committees and in making suggestions.

- (1) No person shall become a member of the company unless—
 - (a) that person is one of the subscribers to the memorandum who are the first members of the company, or
 - (b) that person has completed and submitted an application in a form prescribed by the directors, and the directors have approved the application, and
 - (c) that person has paid the full amount of any annual membership subscription set by the directors (whatever the period between the date of such approval under (b) above and the date on which the membership subscription next falls due),

- (2) The directors may only refuse an application for membership if, acting reasonably and properly, they consider it to be in the best interests of the company and its charitable purposes to refuse the application.**
- (3) The directors must inform the applicant in writing of the reasons for the refusal within 21 days of the decision.**
- (4) The directors must consider any written representations the applicant may make about the decision. The directors' decision following any written representations must be notified to the applicant in writing but shall be final.**
- (5) Every member, but not associate members, shall have one vote.**
- (6) Associate members shall be such persons nominated as representative members by organisations of which they are members whether incorporate or unincorporated which support the charitable purposes of the company as above and apply for membership and are approved and have paid any required membership subscription as above. Associate members shall have no power to vote, but associate members shall have the power to attend general meetings and speak at them.**
- (7) In addition to any annual membership subscription set by the directors, members and associate members shall pay a sum of £1.00 on joining, which shall be retained by the company for use in the event that members become liable under article 2.**

Termination of membership

- 30.—(1) A member may withdraw from membership of the company by giving 7 days' notice to the company in writing.**
- (2) Membership is not transferable.**
 - (3) A person's membership terminates when that person dies, or if the member is a representational member for an organisation in the event of that organisation terminating its membership or winding up.**
 - (4) Membership is terminated with immediate effect if –**
 - (a) any sum due from the member to the company is not paid in full within six months of it falling due, or**
 - (b) in the best interests of the company and its charitable purposes either an ordinary resolution or a resolution of the directors so to terminate is passed. Such a resolution may only be passed if the member has been given at least 21 days notice of the meeting at which the resolution will be proposed and the reasons why it is to be proposed and the member has been allowed to make representations to the meeting either in person or at the option of the member through a representative chosen by the member who need not be a member of the company.**

Organisation of general meetings

General meetings

31. –(1) The company must hold its first annual general meeting within eighteen months after the date of its incorporation.
- (2) An annual general meeting must be held in each subsequent calendar year and not more than fifteen months may elapse between successive annual general meetings.
- (3) The directors may call a general meeting at any time.
- (4) The minimum periods of notice required to hold a general meeting of the company are – (a) 21 clear days for an annual general meeting or a general meeting called for the passing of a special resolution
- (b) 14 clear days for all other general meetings
- (c) such shorter period as a number of members having a right to attend and vote at the meeting being a majority who together hold not less than 90% of the voting rights of the company may agree
- (5) The notice must specify the date time and place of the meeting and the business to be transacted; it must state whether the meeting is to be an annual general meeting and if appropriate the detail of any special resolution; it must also contain a statement setting out the rights of members to appoint a proxy under section 324 of the Companies Act 2006 and article 36.
- (6) The notice must be given to all the members and to the directors and the independent examiners.

Attendance and speaking at general meetings (in article 32 references to a person also refer to a person representing an organisation that is a member)

32. –(1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (2) A person is able to exercise the right to vote at a general meeting when—
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

Quorum for general meetings

33. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum; the quorum may be fixed

by ordinary resolution and unless so fixed at any other number shall be 10 of the members in person or by proxy.

Chairing general meetings

34.—(1) If the directors have appointed a chairman or vice-chairman, the chairman or if the chairman is absent the vice-chairman shall chair general meetings if present and willing to do so.

(2) If the directors have not appointed a chairman or vice-chairman, or if the chairman and/or vicechairman is/are unwilling to chair the meeting or is/are not present within ten minutes of the time at which a meeting was due to start— (a) the directors present, or

(b) (if no directors are present), the meeting, must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

(3) The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”.

Attendance and speaking by directors and non-members

35.—(1) Directors may attend and speak at general meetings, whether or not they are members.

(2) The chairman of the meeting may permit other persons who are not members of the company to attend and speak at a general meeting.

Adjournment

36.—(1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to an adjournment, or

(b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days’ notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

(a) to the same persons to whom notice of the company’s general meetings is required to be given, and

- (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

Voting at general meetings

Voting: general

37. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles.

Errors and disputes

- 38.—(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the chairman of the meeting whose decision is final.

Poll votes

- 39.—(1) A poll on a resolution may be demanded—
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by—
- (a) the chairman of the meeting;
 - (b) the directors;
 - (c) two or more persons having the right to vote on the resolution; or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution.
- (3) A demand for a poll may be withdrawn if—
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal.
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

Content of proxy notices

- 40.—(1) Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which—
- (a) states the name and address of the member appointing the proxy;
 - (b) identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;

- (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as—
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

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

Amendments to resolutions

- 42.—(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—
- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 5

ADMINISTRATIVE ARRANGEMENTS

Administrative requirements

Means of communication to be used

43.—(1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

(2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

(3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Rules

44.—(1) The directors may from time to time make, implement and enforce such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the company and its activities, services and premises and for the proper conduct of those outwith the company who may be involved in or receiving benefit from or using its activities, services and /or premises.

(2) The rules or bye laws shall be binding on all members of the company and on all those outwith the company who may be involved in or receiving benefit from or using its activities, services and /or premises. No rule or bye law shall be inconsistent with or shall affect or repeal anything contained in the articles.

No right to inspect accounts and other records

45. 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 member.

Compliance with all regulation applicable to a charitable company

46. The directors shall ensure the keeping of all records including minutes and accounts, the preparation of annual accounts and reports and returns and the doing of all such other things as are required to be done by a charitable company under such regulation as applies to such a company from time to time, and shall likewise cause all such things to be done as shall bring the company into compliance with all or any such regulation as may apply to any activity of the company at any time.

Directors' indemnity and insurance

Indemnity

47.—(1) Subject to paragraph (2), a relevant director of the company may be indemnified out of the company's assets against any liability incurred by that director in that capacity to the extent permitted by sections 232 to 234 of the Companies Act 2006 or against any other liability incurred by that director as an officer of the company to the same extent.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

(3) A "relevant director" means any director or former director of the company.

Insurance

48.—(1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss and such insurance may extend to liabilities of the nature referred to in section 232(2) of the Companies Act 2006.

(2) In this article—

(a) a "relevant director" means any director or former director of the company,

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company.

Dissolution

49. —(1) Subject to such regulatory requirements and consents as may apply to the distribution of the assets of a charitable company on its dissolution, any net assets remaining after providing for all debts and liabilities shall on or before the dissolution of the company be applied or transferred as the members determine by ordinary resolution (or failing such determination by such court or authority or regulator as may have or acquire jurisdiction) in any of the following ways – (a) by transfer to any charity or charities for purposes similar to the charitable purposes in article 3. above, or

(b) directly for the charitable purposes, or

(c) to the extent that effect cannot be given to either of the above to some other charitable object or charitable purposes of benefit to the public in Highland.

(2) In no circumstances shall the net assets remaining be paid to or distributed among the members of the charitable company.

Winding up

50. If the company is wound up the liquidator shall give effect to the provisions of article 49(1)(a), (b), or (c) insofar as statutory requirement and regulatory consent or requirement permit or demand.

Appendix A

The following changes to the constitution were agreed at the last AGM in 2019

Proposed and agreed increase of Board membership to include SPEAK

A core principle of our constitution is that our board membership has a majority drawn from our membership as nominated by members through the Advisory Groups for HUG and People First Highland. This is achieved by having 3 representatives each from the Advisory Groups, and 5 other members, total 11 members.

SPEAK has developed over the last 5 years and is currently the only SPIRIT activity to benefit from funding outwith the terms of our NHS Highland SLA.

The AGM approved the Board recommendation:

1. To amend our constitution to increase the SPIRIT board membership to provide representation from SPEAK .
2. To draw equal representation from a SPEAK Advisory Group, i.e. an additional 3 members.
3. To maintain the proportional balance of the Board by increasing the number of other members by 1 or 2.
4. To amend the quorum for meetings to reflect these changes

8.2 Inclusion of Proposal for Advisory Groups

Our SPIRIT constitution is framed to ensure that in keeping with our ethos there is a majority of board members drawn from our wider membership of people with lived experience. The mechanism for recruitment is that these directors of SPIRIT are nominated by the Advisory Groups. Our formal constitution is silent on the issue of how people become AG members, and how those groups operate, and over the years they have developed without any formal agreement being in place.

We are not a large enough organisation to establish a fully open membership ballot and many of our members would probably not want such a formal process. After deliberation and in consultation with the Advisory Groups the board recommends therefore the following formal arrangements for Advisory Groups and the nomination process, to be incorporated into our constitution:

Advisory Groups (HUG, PFH, SPEAK) Purpose

1. To ensure that the SPIRIT Board has a majority of directors drawn from our members who have relevant lived experience and who reflect our dispersed Highland communities
2. To ensure that the directors are well informed about the issues which are important to our memberships

Membership

- Membership of each AG is open to all members of the relevant group (HUG, PFHH, SPEAK).
- Staff and volunteers will ensure that as far as possible members are drawn from across Highland, and that members remote from Inverness are supported and encouraged to participate.
- Staff may not be members of AGs but may attend and facilitate meetings

Meetings

- a. Each Advisory Group must meet at least 3 times per calendar year. Groups may decide to meet more often and special meetings may from time be called at the request of the SPIRIT board
- b. Notice of meetings will be circulated to all members at least 21 days before the meeting date, and include any specific items for discussion e.g. nominations to the board
- c. Venues will be arranged to facilitate geographic inclusion and may include online remote access
- d. Meetings will appoint a chairperson for the meeting
- e. A short action note will be kept, submitted to the SPIRIT Manager within one week of the meeting and made available to all through our newsletters and online.

Nomination of Directors

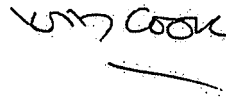
- When a vacancy on the SPIRIT board is anticipated the AG will be asked to make a nomination.

Signed

Date 15/11/2018

Alan Bithell, Chairperson

William Cook, Vice Chair

A handwritten signature in black ink, appearing to read 'Alan Bithell', written over a faint rectangular grid.A handwritten signature in black ink, appearing to read 'Wm Cook', with a horizontal line underneath.