



# COMPANIES ACT 2006

A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

## ARTICLES OF ASSOCIATION

OF

### **GRAMPIAN CHILDREN'S RESPITE CARE** **(as amended by Special Resolution dated 26 March 2019)**

#### **Definitions**

#### 1 In these Articles:

"Act"	means the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force which applies to the United Kingdom.
"Articles"	means the articles of association of the Company and reference to an Article is to one of the Articles.
"charitable body"	means a body on the Scottish Charity Register and/or the register of the Charity Commissioners which is also regarded as a charity in relation to the application of the Taxes Acts.
"charitable purpose"	means a charitable purpose under Section 7 of the Charity Act which is also regarded as a charitable purpose in relation to the application of the Taxes Acts.
"Charity Act"	means the Charities and Trustee Investment (Scotland) Act 2005 and any statutory modification or re-enactment thereof for the time being in force which applies to Scotland.
"Charity Law"	means the law of Scotland so far as applicable to the regulation and operation of charities and trustees of charities including but not limited to the provisions of the Charity Act.
"clear days"	means, in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
"Director"	means a director of the Company.
"executed"	includes any mode of execution, signature, subscription or sealing.
"General Meeting"	means an Annual General Meeting or an Extraordinary General Meeting held for any of the purposes specified in the

Act or in the Articles.

"Member"	means a member of the Company.
"Registered Office"	means the registered office of the Company.
"Secretary"	means the secretary of the Company.
"Taxes Acts"	means the legislation in force from time to time in the United Kingdom applying to the taxation of income and capital gains.
"the United Kingdom"	means Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.

The provisions of the Interpretation Act 1978 shall apply to the construction and interpretation of the Articles.

For the avoidance of doubt no provisions contained in the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles shall apply to the Trust.

#### **Name**

- 2 The name of the Company is Grampian Children's Respite Care.

#### **Registered Office**

- 3 The Company's registered office is to be situated in Scotland.

#### **Objects**

- 4 The Company's objects are:-

- 4.1 the advancement of health; and
- 4.2 the improvement of the condition of life and relief of children and young persons with complex health needs

by various means including but not limited to the provision of respite care facilities and services.

## **Powers of the Company**

**5** In furtherance of the objects described in Article 4, but not otherwise, the Company shall have power:

- 5.1** to purchase, 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;
- 5.2** 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;
- 5.3** to sell, let, hire, license, give in exchange and otherwise dispose of all any part of the undertaking property, and rights of the Company;
- 5.4** 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;
- 5.5** to borrow money and give security for the payment of money by, or the performance or other obligations of, the Company or any other person;
- 5.6** to open and operate banking accounts and 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;
- 5.7** to remunerate any individual in the employment of the Company and to establish, maintain and contribute to any 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 or widower, relatives and dependants of any such individual who is or was at any time in the employment of the Company and the spouse, widow or widower, relatives and dependants of such any individual; and to establish, subsidise and subscribe to any institution, association, club and fund which may benefit any such person;
- 5.8** to promote any private Act of Parliament, Provisional Order and other authority to enable the Company to carry out its objects, alter its constitution, 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;
- 5.9** to enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the Company and to obtain from any such organisation, government or authority any charter, right, privilege or concession;

- 5.10 to enter into partnership or any other arrangement for sharing profit, co-operation or mutual assistance with any charitable body, whether incorporated or unincorporated;
- 5.11 to give any debenture or securities and accept any shares, debentures or securities as consideration for any business, property and rights acquired or disposed of;
- 5.12 to effect insurance against risks of all kinds including insurance of directors' and officers' liabilities to the extent permitted by law;
- 5.13 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 requirements) and to dispose of and vary such investments and securities;
- 5.14 to promote companies whose activities may further one or more of the above objects or which may generate income to support the above objects, acquire and hold shares, stocks, debentures and other interests in such companies and carry out, in relation to any such company which is a subsidiary of the Company, all such functions as may be associated with a holding company;
- 5.15 to establish and support any association or other unincorporated body having objects 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;
- 5.16 to amalgamate with any charitable body, incorporated or unincorporated, having objects altogether or in part similar to those of the Company;
- 5.17 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;
- 5.18 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;
- 5.19 to subscribe and make contributions to or otherwise support charitable bodies, whether incorporated or unincorporated, and to make donations for any charitable purpose connected with the activities of the Company or with the furtherance of its objects;
- 5.20 to accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust for any of the objects of the Company;

- 5.21 to take such steps (by way of personal or written appeals, public meetings 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;
- 5.22 to carry on these objects in any part of the world as principal, agent, contractor, Member or in any other capacity and through an agent, contractor, sub-contractor, Member or any person acting in any other capacity and either alone or in conjunction with others; and
- 5.23 to do anything which may be incidental or conducive to the attainment of the objects of the Company for the public benefit both within and outside the United Kingdom.

In this Article where the context so admits, "property" means any property, heritable or moveable, real or personal, wherever situated.

### **Liability**

- 6 The liability of the Members is limited.
- 7 Each Member undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while he is a Member or within one year after he ceases to be a Member, for payment of the Company's debts and liabilities contracted before he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

### **Dissolution**

- 8 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 Members but shall be transferred to some other charitable body or bodies (whether incorporated or unincorporated) whose objects are altogether or in part similar to the objects of the Company and whose constitution prohibits the distribution of income and assets among its Members in the same manner as these Articles.
- 9 The body or bodies to which property is transferred under Article 8 shall be determined solely by the Directors at or before the time of dissolution or, failing such determination by such court as may have jurisdiction.
- 10 To the extent that effect cannot be given to the provisions of Articles 8 and 9, the relevant property shall be applied to some other charitable object or objects in the Directors' sole and absolute discretion.

### **Members**

- 11 The subscribers to the memorandum of association of the Company and such other persons as are admitted to membership in accordance with the Articles shall be Members of the Company. No person (or corporation, organisation, society or like body) shall be admitted as a Member of the Company unless he is approved by the Directors. Every person who wishes to become a Member shall deliver to the Company an application for

membership in such form as the Directors may require. An applicant shall be deemed to be admitted to membership of the Company upon entry of his name on the Company's register of members.

- 12 Subject to any resolutions which may be passed at a General Meeting, and to any provisions herein contained, the Directors may make and institute such classes of membership and the rights and conditions applying thereto as they may from time to time think fit.
- 13 The Directors may, subject to any provisions herein contained, determine from time to time the subscriptions, if any, which shall be payable by each class of Member.
- 14 A Member may at any time withdraw from the Company by giving at least seven clear days' notice to the Company. Membership shall not be transferable and shall cease on the Member's death, bankruptcy or insolvency.
- 15 The Directors may also at their discretion terminate the membership of any Member but the requirements of natural justice shall be respected and a Member shall be entitled to be heard in his own defence by the Directors or a committee of the Directors.
- 16 The Directors may provide for the admission of such persons as they may think fit to be friends or associates of the Company and for the rights duties and liabilities (if any) of such friends or associates but so that such persons shall not by virtue of being friends or associates as aforesaid be Members of the Company and their rights (if any) shall not include a right to speak or vote at General Meetings of the Company. The Secretary (or a Director where there is no Secretary) shall keep an accurate register of such friends or associates of the Company.

#### **General Meetings**

- 17 All General Meetings shall be either Annual General Meetings or Extraordinary General Meetings.
- 18 An Extraordinary General Meeting shall be convened by the Directors on their own initiative, or by requisition by no less than 20% of the Members or on requisition by a resigning auditor (under the Act).
- 19 An Annual General Meeting shall be convened by the Directors and shall be held within nine months of the end of each accounting period of the Trust and not more than a period of fifteen months shall elapse between each Annual General Meeting.

#### **Notice of General Meetings**

- 20 A General Meeting shall be called by at least 14 clear days' notice.
- 21 A notice convening a General Meeting shall specify the time and place of the General Meeting, the terms of any resolution which is to be proposed as (a) a special resolution or (b) as a resolution for the removal of a Member or a Director or an auditor), the general nature of any other business to be transacted at the General Meeting and whether the General Meeting is an Annual General Meeting or an Extraordinary General Meeting.

- 22 Notice of every General Meeting shall be given to all the Members and to the auditor then holding office (if any).
- 23 The accidental omission to give notice of a General Meeting to, or the non-receipt of notice of a General Meeting by, any person entitled to receive notice pursuant to Article 22 shall not invalidate the proceedings at that General Meeting.

#### **Proceedings at General Meetings**

- 24 No business shall be transacted at any General Meeting unless a quorum is present. A quorum shall comprise the attendance (whether in person or by proxy) of at least 10% of the Members.
- 25 If the quorum required under Article 24 is not present within half an hour after the time appointed for the General Meeting, or if during a General Meeting such a quorum ceases to be present, the General Meeting shall (a) if requisitioned by a Member, be adjourned indefinitely and (b) otherwise, stand adjourned to such time and place as may be fixed by the Directors. If the General Meeting is adjourned for more than 21 days, not less than seven days notice shall be given of the adjourned date and time but otherwise it shall not be necessary to give the Members notice of the adjournment.
- 26 The chairman or deputy chairman appointed under Article 64 (or failing either of them, another Director agreed on by the Directors) shall preside as chairman of a General Meeting.
- 27 The chairman of the meeting may, with the consent of a General Meeting at which a quorum is present (and shall if so directed by the General Meeting), adjourn the General Meeting from time to time and from place to place.
- 28 No business shall be transacted at an adjourned General Meeting other than business which could properly have been transacted at the General Meeting which was adjourned if the adjournment had not taken place.
- 29 A resolution put to the vote of a General Meeting shall be decided on a show of hands (unless a secret ballot is demanded by the chairman or at least two Members present at the meeting) and a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 30 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairman may direct; the result of the secret ballot shall be declared at the General Meeting at which the secret ballot was demanded.

#### **Votes of Members at General Meetings**

- 31 On a show of hands every Member present in person shall have one vote. On a poll every Member present in person or by proxy shall have one vote.

- 32 An instrument appointing a proxy shall be in writing executed by or on behalf of the appointer and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):

I/We                      of

being a member/members of the above-named Company, hereby appoint

of                      or failing him

of

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Company to be held on                      20   and at any adjournment thereof.

Signed on                      20   .

- 33 Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the instrument appointing a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve):

I/We                      of

being a member/members of the above-named Company, hereby appoint

of                      or failing him

of

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the Company, to be held on                      20   , and at an adjournment thereof.

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

Resolution No 1 \*for \*against

Resolution No 2 \*for \*against

\* strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

Signed this                      day of                      20   .

- 34 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:



- 34.1 be deposited at the Registered Office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- 34.2 in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- 34.3 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any Director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

- 35 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the Registered Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
- 36 In the case of an equality of votes the chairman of the meeting shall not have a second (casting) vote.
- 37 No objection may be raised as to the validity of any vote, or to the qualification of any voter, except at the General Meeting at which the vote objected to is tendered or the voter purports to vote. Every vote not disallowed at the General Meeting shall be valid and any such objection shall be referred to the chairman of the General Meeting whose decision shall be final and conclusive.

#### **Number and status of Directors**

- 38 The number of Directors shall not at any time be less than three and shall be subject to a maximum of eleven.

#### **Appointment and Removal of Directors**

- 39 At the first Annual General Meeting all the Directors shall retire from office, and at every subsequent Annual General Meeting one-third of the Directors who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office, but, if there is only one Director who is subject to retirement by rotation, he shall retire.
- 40 Subject to the provisions of the Act, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or re-appointment but as between

persons who became or were last re-appointed Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

- 41 If the Company, at the meeting at which a Director retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the Director is put to the meeting and lost.
- 42 No person other than a Director retiring by rotation shall be appointed or re-appointed a Director at any General Meeting unless:
  - 42.1 *he is recommended by the Directors; or*
  - 42.2 *not less than 10 nor more than 35 clear days before the date appointed for the meeting, notice executed by a Member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or re-appointment stating the particulars which would, if he were so appointed or re-appointed, be required to be included in the Company's register of Directors together with notice executed by that person of his willingness to be appointed or re-appointed.*
- 43 Not less than 5 nor more than 28 clear days before the date appointed for holding a General Meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Directors for appointment or re-appointment as a Director at the meeting or in respect of whom notice has been duly given to the Company of the intention to propose him at the meeting for appointment or re-appointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or re-appointed, be required to be included in the Company's register of Directors.
- 44 Subject as aforesaid, the Company may by ordinary resolution appoint a person who is willing to act to be a Director either to fill a vacancy or as an additional Director and may also determine the rotation in which any additional Directors are to retire.
- 45 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors. A Director so appointed shall hold office only until the next following Annual General Meeting and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting. *If not re-appointed at such Annual General Meeting, he shall vacate his office at the conclusion thereof.*
- 46 Subject as aforesaid, a Director who retires at an Annual General Meeting may, if willing to act, be re-appointed. *If he is not re-appointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.*
- 47 The office of a Director shall be vacated if:
  - 47.1 *he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or*

- 47.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - 47.3 he becomes an employee of the Company; or
  - 47.4 he resigns his office by notice to the Company; or
  - 47.5 he shall have been absent without the permission of the Directors from three consecutive meetings of Directors held and the Directors resolve that his office be vacated; or
  - 47.6 he is incapable for medical reasons of fulfilling the duties of his office and such incapacity is expected to continue for a period of more than six months.
- 48 For the avoidance of doubt a Director who is also a Member shall not be entitled to vote on any resolution (or to join in signing any written resolution) for his appointment or removal as either a Member or a Director.

#### **Directors' Interests**

- 49 Each Director shall comply with his obligations to disclose his interest in existing and proposed transactions or arrangements with the Company pursuant to sections 177 and 182 of the Act.
- 50 Subject to the remaining provisions of the Articles, the Directors may, in accordance with section 175(5)(a) of the Act, authorise any matter which would otherwise involve or may involve a Director breaching his duty under section 175(1) of the Act to avoid conflicts of interest ("a Conflict").
- 51 When authorisation of a Conflict is being considered by the Directors, the Director seeking such authorisation and any other Director with a similar interest
  - 51.1 shall not vote on a resolution authorising the Conflict and
  - 51.2 may, if the Directors who do not have a similar interest so decide, be excluded from the meeting of Directors while the Conflict is considered.
- 52 Save in relation to a resolution authorising a Conflict, but subject to compliance with Articles 49-51, the provisions of Charity Law and the provisions of Articles 54 and 55, a Director
  - 52.1 may vote at any meeting of the Directors or of any committee of the Directors on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution his vote shall be counted;
  - 52.2 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

- 52.3 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
  - 52.4 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be treated as void on the ground of any such interest or benefit.
- 53 For the purposes of the preceding Article:
- 53.1 a general notice given to the Directors that a Directors is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
  - 53.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

#### **Dealings with Directors**

- 54 Subject to Article 55, the income and property of the Company shall be applied solely towards the promotion of its objects as set out in Article 4 and no part of the income and property of the Company shall be paid or transferred, directly or indirectly by way of distribution of income or capital to any Director or Member.
- 55 The Company shall, notwithstanding the provisions of Article 54 and subject always to Article 56 and the provisions of Charity Law from time to time, be entitled
  - 55.1 to pay reasonable and proper remuneration to any Director or Member in return for professional, commercial, trade or other services actually rendered to the Company in a capacity other than that of Director or Member and the maximum amount of such remuneration must be reasonable and specified in a written agreement and less than half of the Directors must be receiving remuneration from the Company (or benefit from remuneration of that nature);
  - 55.2 to pay interest at a rate not exceeding two per cent over Bank of Scotland base rate from time to time on money advanced as a loan to the Company by any Director or Member;
  - 55.3 to pay rent at a rate not exceeding the open market rent for premises let to the Company by any Director or Member;
  - 55.4 to purchase assets from, or sell assets to, any Director or Member providing such purchase or sale is at market value;
  - 55.5 to make payment to a Director or Member in reimbursement of travelling and other out of pocket expenses incurred by such Director or Member in providing services for the Company; and

- 55.6 to pay remuneration to any Director or Member, including the provision of living accommodation, under a bona fide contract in a form approved by the Directors.

#### **Powers of Directors**

- 56 Subject to the provisions of the Act and the Articles and to any directions given by Special Resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company.
- 57 No alteration of the Articles and no direction given by Special Resolution shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given.
- 58 The powers conferred by Article 56 shall not be limited by any special power conferred on the Directors by the Articles.
- 59 A meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 60 The Directors may, by power of attorney or by resolution, appoint any of their number to be an agent or officer of the Company for such purpose and on such conditions as they may determine. Such purposes may include specific roles as treasurer or Secretary.

#### **Proceedings of Directors**

- 61 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. A Director may at any time, and the Secretary (if any) at the request of a Director shall, call a meeting of the Directors or any committee of the Directors. Any such meeting may be held by means of conference telephones or any communication equipment which allows all persons participating in the meeting to hear each other. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.
- 62 The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be one third of the total number of Directors or three Directors (whichever is higher).
- 63 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a General Meeting.
- 64 The Directors may appoint one of their number to be the chairman of the board of Directors and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within 15 minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

- 65 All acts done by a meeting of Directors, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 66 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Director.
- 67 Save as otherwise provided by the Articles, a Director shall not vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:
- 67.1 the resolution relates to the giving to him of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the Company or any of its subsidiaries;
  - 67.2 the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the Director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
  - 67.3 his interest arises by virtue of his subscribing or agreeing to subscribe for any debentures of the Company or any of its subsidiaries or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such debentures by the Company or any of its subsidiaries for subscription, purchase or exchange;
  - 67.4 the resolution relates in any way to a retirement benefits scheme which has been approved, or is conditional upon approval, by the board of Directors or HMRC for taxation purposes.

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the Company), connected with a Director shall be treated as an interest of the Director.

- 68 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 69 Where proposals are under consideration concerning the appointment of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each Director separately and (provided he is not for another reason precluded from voting) each

of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

- 70 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive.
- 71 The Company may by Special Resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a Director from voting at a meeting of the Directors or at a meeting of a committee of Directors.
- 72 The Directors may invite or allow any person to attend and speak, but not to vote, at any meeting or meetings of the Directors or of any committee of the Directors.

#### **Delegation to Committees**

- 73 Without derogation from their legal responsibilities, the Directors may delegate any of their powers to (a) a single Director or (b) a committee consisting of one or more Directors and such other persons as the Directors approve in their sole discretion.
- 74 Any delegation of powers under the preceding Article may be made subject to such conditions as the Directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered.
- 75 Subject to any condition imposed pursuant to Article 74, the proceedings of a committee consisting of two or more Directors shall be governed by the Articles regulating the proceedings of meetings of Directors so far as they are capable of applying.
- 76 Each committee shall regulate its proceedings in accordance with the directions issued by the Directors and shall give effect to any instruction or decision on matters of principle issued or made by the Directors.
- 77 All acts done by a committee shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any Member of the committee or that any Member of the committee was not qualified to act as such, be as valid as if very such person had been duly appointed and was so qualified.

#### **Electronic Communications**

- 78 Subject to the provisions of the 2006 Act, a document or information may be sent or supplied by the Company to a person by being made available on a website.
- 79 In this article "communication" and "electronic communication" shall bear the meanings set forth in the Electronic Communications Act 2000 or any statutory modification or re-enactment thereof.
  - 79.1 A person in electronic communication with the chairman and with all other parties to a meeting of the Directors or the Members (as the case may be) shall be regarded for all purposes as personally attending such a meeting provided that but

only for so long as at such a meeting he has the ability to communicate interactively and simultaneously with all other parties attending the meeting including all persons attending by way of electronic communication.

- 79.2 A meeting at which one or more of the Directors or the Members (as the case may be) attends by way of electronic communication shall be deemed to be held at such place as the Directors or the Members (as the case may be) shall at the said meeting resolve. In the absence of such a resolution, the meeting shall be deemed to be held at the place, if any, where a majority of those attending the meeting are physically present, or in default of such a majority, the place at which the chairman of the meeting is physically present.

#### **Minutes**

- 80 The Directors shall ensure that minutes are made and retained in respect of all proceedings at General Meetings, meetings of the Directors and meetings of committees.

#### **Accounts**

- 81 Accounting records shall be kept in accordance with the Act and Charity Law and shall, in particular, contain entries from day to day of all sums of money received and expended by the Company and the matters in respect of which such receipt and expenditure take place and a record of the assets and liabilities of the Company.
- 82 The Directors have the responsibility for the preparation of the annual financial statements of the Company in the form and with the content required by the Act and Charity Law.

#### **Independent Examination**

- 83 At each Annual General Meeting the Members shall appoint a suitably qualified person or persons to carry out only such examination or audit as is required by the Act and Charity Law from time to time in relation to the financial statements for the accounting period then current and to make a report to the Members on such financial statements.

#### **Notices**

- 84 The Company may give any such notice to a Member either personally, by electronic means or by sending it by post in a pre-paid envelope addressed to the Member at his registered address or by leaving it at that address. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.
- 85 Any notice, if sent by post, shall be deemed to have been given at the expiry of 48 hours after posting and 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.



- 86 A Member present at any General Meeting shall be deemed to have received notice of such General Meeting and, where requisite, of the purposes for which it was called.
- 87 For the avoidance of doubt any notice given by the Company to a Member or by a Member in relation to a General Meeting may be given in any form permitted under the provisions of the Act.

#### **Winding-Up**

- 88 upon the winding up or dissolution of the Company, the liquidator shall transfer the assets of the Company in accordance with Article 8.

#### **Indemnity**

- 89 Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or auditor of the Company shall be indemnified 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 his/her duties of office including, without prejudice to that generality, any liability incurred 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 in connection with any application in which relief is granted by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.