



**Company No: 03426366**

**The Companies Acts 1985 and 1989**

**and**

**The Companies Act 2006**

**COMPANY LIMITED BY GUARANTEE**

**RESOLUTIONS**

**of**

**INTERNET WATCH FOUNDATION**

THURSDAY



DSR

\*DUYV108X\*

14/10/2010

COMPANIES HOUSE

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At an Annual General Meeting of the above named company, duly convened and held at GSMA Head Office, Seventh Floor, 5 New Street Square, New Fetter Lane, London EC4A 3BF on the 5th day of October 2010 the following resolutions were duly passed as special resolutions.

## **RESOLUTIONS**

### **As special resolutions**

**THAT** the Articles of Association be amended in respect of Article 1 2, as set out in the document produced to this meeting and marked "Document A" (attached) for the purposes of identification

**THAT** the Articles of Association be amended in respect of Article 10.2(b), as set out in the document produced to this meeting and marked "Document A" (attached) for the purposes of identification

**THAT** the Articles of Association be amended in respect of Article 27.1(a), as set out in the document produced to this meeting and marked "Document A" (attached) for the purposes of identification

**THAT** the company secretary be authorised to update the Articles of Association of the Company accordingly to reflect the agreed change(s) and that the company secretary be authorised to file with Companies House and the Charity Commission a copy of the present resolutions and a copy of the consolidated Articles of Association.



## **The Internet Watch Foundation - Annual General meeting 5<sup>th</sup> October 2010**

### **Special business – Document 'A' – Amendments to the IWF's Articles of Association**

It is proposed that the Articles of Association of the Company be amended as follows

- 1.** That the definition of "Non-Industry Trustee" be deleted from Article 1 2
- 2.** That a new definition "Independent Trustee" be inserted into Article 1 2 so that it reads

"Independent Trustee" "A trustee who is appointed to the Board in accordance with article 27 2 "

- 3.** That the brackets be removed from the figure "90%" in Article 10 2(b) so that it reads -

"in the case of any other meeting, by a majority of the members who have a right to attend and vote But this majority must represent at least 90% of the total membership of the Company members who have voting rights."

- 4.** That Article 27 1(a) be amended so the words "Industry trustees" are amended to read "Industry Trustees" and so that Article 27 1(a) then reads -

"not less than ten and no more than fifteen persons so long as 1/3 are Industry Trustees or their representatives, and 2/3 are Independent Trustees and an independent Chair, who shall not be included when calculating the 2/3 proportion If the number of Industry Trustees or Independent Trustees shall fall below the specified fractions the Board may continue to act if it has put into effect the necessary steps to appoint the additional Independent or Industry Trustee(s) or their representative as the case may be"



**ARTICLES OF ASSOCIATION  
OF  
INTERNET WATCH FOUNDATION**



**2010**

THURSDAY

DSR

14/10/2010  
COMPANIES HOUSE

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**Company number: 3426366**

**THE COMPANIES ACT 1985 AND 2006**

**Company Limited by Guarantee and not having a Share Capital**

**ARTICLES OF ASSOCIATION OF  
INTERNET WATCH FOUNDATION<sup>1</sup>**

**1 Meaning of Words**

**1 1** In these Articles and the Memorandum the words in the first column of the table below will have the meanings shown opposite them in the second column, as long as this meaning is consistent with the subject or context -

**1 2**

<b>Words</b>	<b>Meanings</b>
Articles	These Articles of Association
Board	The Board of Trustees of the Company whose members are the directors of the Company and are charity trustees
Chair	The independent Chair of the Board of Trustees who in the opinion of the Board is neither an Industry nor an Independent Trustee and who is appointed in accordance with article 27 5
Charity Commission	The Charity Commission of England and Wales
Clear Day	24 hours from midnight following the relevant event
Company	Internet Watch Foundation

<sup>1</sup> As updated further to the special resolutions adopted by the members of the Company on 5<sup>th</sup> October 2010

g \i\wf board\board meetings\agenda and papers\2010 agenda & papers\2010-10-05 agm and joint event\2010 joint event and agm\docs for filing\2010 revised articles doc



Companies Act 1985	The Companies Act 1985 (as amended from time to time)
Companies Act 2006	The Companies Act 2006 (as amended from time to time)
Electronic Address	Any address or number used for the purposes of sending or receiving documents or information by electronic means
Electronic Form and Electronic Means	Have the meaning given in section 1168 of the Companies Act 2006
Funding Council	A meeting of Industry Members and any other person admitted by the Funding Council to membership of the Funding Council. Such meeting and membership to be governed by the rules of the Funding Council
Indemnity Insurance	Insurance against personal liability incurred by any Trustee for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty
Independent Trustee	A trustee who is appointed to the Board in accordance with article 27.2
Industry Member	A member of the Company being an organisation or company from the Internet industry that has been admitted to the Funding Council
Industry Trustee	A trustee who is appointed to the Board by the Funding Council in accordance with article 27.3
Month	Calendar month
Non-Industry Member	A member of the Company not being an Industry Member



Office	The registered office of the Company
Ordinary Resolution	Has the meaning given in section 282 of the Companies Act 2006
Poll	A procedure used at a general meeting of the Company under which every Industry Member and every Non Industry Member in person or proxy has one vote
Regulations	Any rules, standing orders or regulation made in accordance with these Articles
Seal	The common seal of the Company
Signed	Shall include faxes of signatures
Special Resolution	Has the meaning given in section 283 of the Companies Act 2006
Statutes	The Companies Act as defined in section 2 of the Companies Act 2006 and every other Statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to Companies and affecting the Company
Taxable Trading	Carrying on a trade or business for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects, the profit of which are subject to corporation tax
Trustees	The directors of the Company namely the Industry and Independent Trustees and the Independent Chair
United Kingdom	Great Britain and Northern Ireland
Vice-chairs	Both the Industry and Independent Vice-chairs as



appointed in accordance with article 35.2

In Writing or Written	Written, printed or lithographed or partly one and partly another, and other ways of showing and reproducing words in a visible form including by e-mail, fax or website
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- 1 3 Words in the singular form include the plural and vice versa
- 1.4 The words "person" or "people" include corporations.
- 1 5 Apart from the words defined above, any words or expression defined in the Act or any change to the Act in force when these Articles become binding on the Company will have the same meanings in these Articles, provided they are consistent with the subject or context
- 1.6 Headings are not part of the Memorandum or Articles
- 1 7 Where the word "**address**" appears in these Articles it is deemed to include postal address and electronic address and "**registered address**" shall be construed accordingly
- 1 8 References to any Statute or statutory provision in these Articles include, unless the context otherwise requires, a reference to that Statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time any subordinate legislation made under the relevant Statute or statutory provision.
- 2 The Constitution of the Company, Rights of Inspection by Members
- 2 1 The Company is established for the Objects shown in the Memorandum of Association
- 2.2 A copy of the Memorandum and Articles and any Regulations must be available for inspection at the Office Any member must be given a copy of these on payment of a reasonable fee fixed by the Board
- 3 Members
- 3.1 The number of members of the Company is unlimited



3 2 The Company must keep at the Office a register of members showing their name, address and date of membership

3 3 The register is available for inspection

4 Membership

4 1 The initial members are the subscribers who signed these Articles.

4 2 Membership is open to the following -

(a) Any individuals aged 18 or over whom the Board decides to admit to membership

(b) Any organisations which the Board decides to admit to membership.

On admission to membership the member will be designated as an Industry or Non-Industry Member. No member may be designated an Industry Member unless accepted by the Funding Council.

4 3 All members must pay the subscriptions (if any) that the Board decides from time to time. The Board may fix differing rates for subscriptions

4 4 A member which is an organisation or a body corporate must, if asked, give a copy of its constitution to the Company

4 5 Each member which is an organisation or a body corporate has the right to appoint one representative. At any time by giving notice in Writing to the Company, that member can cancel the appointment of its representative and appoint another instead. The member must confirm the name of its representative at the Company's request. The representative has the right to attend and to vote at general meetings of the Company and any vote given shall be valid unless prior to the vote the Company receives Written notice ending the representative's authority.

4 6 Members which are organisations stop being members in the same way as individual members stop being members.

4 7 The Board may delegate the power to admit members.

5 No transfer of Membership





5 1 None of the rights of any member of the Company may be transferred or transmitted to any other person.

## 6 Ending of Membership

6 1 So long as the number of members remaining is at least two a member stops being a member of the Company if

- (a) the member resigns from membership by giving at least 28 days notice in Writing to the Company; or
- (b) membership is ended under Article 7, or
- (c) the member's subscription (if any) remains unpaid six months after it is due and the Board resolves to end that member's membership;
- (d) the member fails to respond in Writing within 60 days of being sent a notice in Writing requesting confirmation that they wish to remain a member and the Board resolves to end membership. The notice must contain a warning that membership may be ended, or
- (e) The Board of the Company resolve that it is in the best interests of the Company to terminate such membership.

## 7 Removal from Membership

7 1 The Board may suspend the rights of any member by giving reasons and by giving the member notice in Writing of the suspension. During suspension the member may not exercise any rights of membership.

7 2 Within 28 days of receiving that notice the member can appeal in Writing to the Company against the suspension. If no appeal is received within the time limit, the member automatically stops being a member. If an appeal is received within the time limit, the suspension must be considered by the Board within 42 days. The member has the right to be heard at the meeting or may make Written representations. The meeting must either confirm the suspension, in which case membership ends, or lift the suspension.

## 8 General Meetings

8 1 Each year, the Company may hold an annual general meeting in addition to any other general meeting in that year. The annual general meeting must



be specified as such in the notices calling it. The first annual general meeting must be held within 18 months of the incorporation of the Company and not more than 15 months must pass between one annual general meeting and the next. All meetings other than annual general meetings shall be called general meetings.

9. Calling of General Meetings

9.1 The Board may call a general meeting whenever they wish. Such a meeting must also be called if not less than ten percent of the members of the Company request it in Writing.

10. Notice of General Meetings

10.1 An annual general meeting must be called by giving at least 21 Clear Days' notice in Writing. Other general meetings of the Company other than an annual general meeting (including a meeting called for the passing of a Special Resolution) must be called by giving at least 14 Clear Days' notice in Writing. These notices must specify the place, date and time of the meeting. If special business is to be discussed, full details or the general nature of the business must be given. Notice of the meeting must be given to everyone entitled by these Articles to receive it.

10.2 However, even if shorter notice is given than that is required above, the meeting will be treated as having been correctly called if it is so agreed:-

(a) in the case of an annual general meeting, by all the members entitled to attend and vote at it, or

(b) in the case of any other meeting, by a majority of the members who have a right to attend and vote. But this majority must represent at least 90% of the total membership of the Company members who have voting rights.

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

10.4 Every notice convening a general meeting shall be given in hard copy form or Electronic Form.



- 11 Ordinary and Special Business at General Meetings
  - 11.1 At a general meeting all business will be treated as special business. At an annual general meeting all business will be treated as special except the consideration of accounts and balance sheets, the reports of the Trustees and auditors, the election of Trustees in place of those retiring, the appointment of auditors, and the fixing of the remuneration of the auditors.
- 12. Quorum
  - 12.1 Business may be done at a general meeting only if a quorum of members is present when the meeting begins to deal with its business. A quorum is twelve members or ten per cent of members whichever is the larger, unless shown differently below
- 13 Adjournment if no Quorum
  - 13.1 If the meeting is called by the demand of members, it must be dissolved if, within half an hour after the appointed starting time, a quorum is not present. If called in any other way, the meeting must be adjourned to another day, time and place as the Board may decide
  - 13.2 If at the adjourned meeting a quorum is not present within half an hour after the appointed starting time, the members present will be a quorum
- 14. Chair
  - 14.1 The Chair (if any) of the Board should normally preside as Chair at every general meeting of the Company. If there is no Chair, or if he/she will not be present within 15 minutes after the appointed starting time or is unwilling to take the chair, the Trustees present shall select a Chair of the meeting and in default the members at the meeting shall select a Chair
- 15 Adjournment of the Meeting
  - 15.1 The Chair may, with the consent of any meeting at which a quorum is present (and must if so directed by the meeting), adjourn the meeting from time to time and from place to place. But no business may be done at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place



15.2 When a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as for the original meeting. Apart from that, it is not necessary to give any notice of an adjourned meeting nor of the business to be done at it.

## 16 Voting on Resolutions

16.1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded (before or after the result of the show of hands is declared). A poll can be demanded by the Chair or a member or members' representative who is present. Members may vote by a proxy.

16.2 On a show of hands every member (being an individual) present in person or by proxy (not being himself a member entitled to vote) or (being a body corporate) present by a duly authorised representative or proxy (not being himself a member entitled to vote) has one vote and on a poll every member present in person or by proxy or by a duly authorised representative (as the case may be) has one vote.

16.3 No member shall be entitled to vote at any general meeting unless all monies presently payable by him or her to the Company pursuant to any rules or bye-laws made by the Trustees in accordance with Article 40 or otherwise have been paid.

## 17. Proxies

17.1 A person holding a proxy may vote on any resolution.

17.2 An instrument appointing a proxy shall be in Writing executed by or on behalf of the appointor and shall be in any usual or common form or in such other form as the Trustees may approve and shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated in such instrument of proxy, be valid for any adjournment of the meeting as well as for the meeting to which it relates. The instrument appointing a proxy and any authority under which it is executed shall be deposited at the Office 48 hours prior to the general meeting, with the Secretary or the Chair of that meeting. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution.



17 3 A vote given or poll demanded by proxy or by the duly authorised representative of a body corporate shall be valid notwithstanding the previous termination of the authority of the person voting or demanding a poll unless notice of the termination was received by the Company at the office or at such other place at which the instrument or 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

17 4 Where the Board does not fix the form of a proxy any instrument appointing a proxy in the following form, or as near to it as the circumstances admit, will be acceptable

"I  
of  
a member of Internet Watch Foundation  
hereby appoint [the Chair of the meeting]  
of  
and failing him or her  
of  
as my proxy to vote for me on my behalf at the [Annual] General Meeting of  
the Company to be held on the                      day of                      and any  
adjournment thereof

Signed on the                      day of

The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

18 Declaration of Chair is Final

18 1 Unless a poll is demanded, the Chair's declaration that a resolution has been carried by a particular majority or lost on a show of hands and an entry saying so in the minute book is conclusive evidence of the result The number or proportion of the votes need not be entered in the minute book

18.2 The demand for a poll may be withdrawn before the poll is taken but only with the consent of the Chairman and a demand so withdrawn shall not be



taken to have invalidated the result of a show of hands declared before the demand was made

19 When a poll is taken

19 1 A poll must be taken immediately, if it is correctly demanded to elect a Chair or to decide upon an adjournment Polls about other things will be taken at a time convened by the Chairman (acting reasonably) Business which is not the subject of a poll may be dealt with before or during the poll.

19 2 The Chair will decide how a poll will be taken The result of a poll will be treated as a resolution of the meeting.

20. Voting and Speaking

20 1 Every member including the Chair has one vote. If the votes are level, the Chair has a casting vote.

20 2 The auditor or reporting accountant has the right to attend and speak but not vote.

20 3 A Trustee shall have the same rights to attend and speak but not vote

21 Written Resolution

21.1 A written resolution, proposed in accordance with section 288(3) of the Companies Act 2006, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date

21 2 For the purposes of this Article 21 "circulation date" is the day on which copies of the written resolution are sent or submitted to members or, if copies are sent or submitted on different days, to the first of those days

22 Management by the Board

22 1 Subject to the provisions of the Statutes, the memorandum of association of the Company and these Articles and to any directions given by Special Resolution, the business of the Company shall be managed by the Board They may pay all the expenses of promoting and registering the Company. They may use all powers of the Company which are not, by the Statutes or by these Articles, required to be used by a general meeting of the Company.



- 23 Cheques and Bills etc
- 23 1 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall indicate the name of the Company in full and must be signed, drawn, accepted, endorsed, or otherwise made in the way that the Board decides from time to time and cheques shall be signed in accordance with the decision of the Board
24. Indemnity of Trustees
- 24 1 Subject to the provisions of, and so far as may be permitted by, the Statutes and the Charities Act 1993 but without prejudice to any indemnity to which the person concerned may be otherwise entitled, every Trustee of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him or her in the execution and discharge of his or her duties or the exercise of his or her powers or otherwise in relation to or in connection with his or her duties, powers or office, including any liability which may attach to him or her in respect of any negligence, default, breach of duty or breach of trust in relation to anything done by him or her as a director, auditor or other officer of the Company.
- 24 2 Subject to the provisions of, and so far as may be permitted by the Statutes and the Charities Act 1993, the Company shall be entitled to fund the expenditure of every director, alternate director or other officer of the Company incurred or to be incurred:
- 24 2 1 in defending any criminal or civil proceedings, or
- 24.2.2 in connection with any application under sections 144(3), 144(4) or 727 of the Companies Act 1985.
25. Payment of reasonable expenses to Trustees of the Board and payment of directors of subsidiary companies
- 25 1 The Trustees may be paid reasonable out-of-pocket expenses that they have properly incurred in connection with the business of the Company but shall not be paid any other remuneration except as permitted in the memorandum of association



25 2 Subject to the provisions of, and so far as may be permitted by, the Statutes, charity law and Charity Commission guidelines, the Company may pay reasonable and proper remuneration to any director of a wholly or jointly owned subsidiary company of the Company

26 The Keeping of Minutes

26 1 The Board must have minutes entered in the minute books

- (a) of all appointments of officers by the Board,
- (b) of the names of the Trustees present at each of its meetings and of any committee of the Board,
- (c) of all resolutions and proceedings at all meetings of
- (d)

(i) The Company,

(ii) The Board, and

(iii) Committees of the Board

27 The Make-up of the Board

27 1 The Board consists of

- (a) not less than ten and no more than fifteen persons so long as 1/3 are Industry Trustees or their representatives, and 2/3 are Independent Trustees and an independent Chair, who shall not be included when calculating the 2/3 proportion. If the number of Industry Trustees or Independent Trustees shall fall below the specified fractions the Board may continue to act if it has put into effect the necessary steps to appoint the additional Independent or Industry Trustee(s) or their representative as the case may be,
- (b) not more than one additional individual co-opted at any time by the Board.

27.2 The Independent Trustees will be chosen by an open selection procedure arranged by a Committee of the Board comprising the Chair, representation





from both Independent and Industry Trustees, and an independent person from outside the Board agreed by the Board. Nobody who has in the opinion of the Board a significant financial interest or other direct involvement in a company providing Internet service will be considered for appointment as an Independent Trustee. If subsequent to appointment to the Board, an Independent Trustee acquires such an interest or involvement, the Trustee must declare the relevant interest and will thereupon automatically cease to be an Independent Trustee.

- 27.3 The Industry Trustees will be nominated by the Funding Council and the Funding Council will determine what arrangements should apply in the event that an Industry Trustee resigns or is no longer the representative of his original company or the industry. Subject to Article 28.2, the period of office of Industry Trustees and any arrangements for their retirement and removal shall be determined by the Funding Council.
- 27.4 Each Industry Trustee shall be a representative of an Industry Member of the Company.
- 27.5 The independent Chair will be chosen by an open selection procedure managed by a Committee of the Board comprising representation from both Independent and Industry Trustees and an independent person from outside the Board agreed by the other Committee members. The independent Chair may serve for a period of three years including the period of office prior to the adoption of these Articles and shall then retire but is eligible for re-appointment for a further period of three years. The decision on whether to offer the independent Chair a further term of office will be taken by the Board of Trustees, excluding the Chair.
- 27.6 Board authorisation of situations in which a Trustee has an interest
- 27.6.1 Subject to the provisions of the Statutes and the Memorandum and Articles of Association of the Company, and provided that the Trustee has disclosed to the Board the nature and extent of any interest of his and the Board has agreed, a Trustee notwithstanding his office:
- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested,



- (b) may be a director or other officer of or employed by or be 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 in any way interested,
- (c) may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- (d) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service 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 avoided on the ground of any such interest or benefit,

27 6 2 For the purposes of Article 27 6 1 the decision of the Board may be that the Trustee may

- (a) be counted in the quorum and entitled to speak on any matter referred to in Article 27 6 1 (a) to (d) (inclusive) and to vote on any resolution or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and his/her vote shall be counted, or
- (b) be entitled to attend the meeting and to speak at such a meeting but shall not count in the quorum and not vote on any matter referred to in Article 27 6 1 (a) to (d) (inclusive) or on any resolution which in any way concerns or relates to a matter which he/she has, directly or indirectly, any kind of interest whatsoever, or
- (c) be entitled to attend the meeting but not speak at such a meeting and shall not be entitled to count in the quorum or vote on any matter referred to in Article 27 6 1 (a) to (d) (inclusive) or on any resolution which in any way concerns or relates to a matter which he/she has, directly or indirectly, any kind of interest whatsoever; or
- (d) be excluded from the meeting on any matter referred to in Article 27.6.1 (a) to (d) (inclusive) and shall not count in the quorum for that part of the meeting and shall not be entitled to vote



27.6.3 For the purposes of Article 27 6 1:

- (a) a general notice to the Board that a Trustee 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 Trustee has an interest in any such transaction of the nature and extent so specified,
- (b) an interest of which a Trustee has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- (c) an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force when these Articles were adopted) connected with a Trustee shall be treated as an interest of the Trustee and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

28. Retirement of members of the Board

28 1 Independent Trustees may serve for a period of three years including the period of office prior to the adoption of these articles and shall then retire but all are eligible for re-appointment for a further period of three years. The decision on whether to offer an Independent Trustee a further term of office will be taken by the Chair and the two Vice-Chairs.

28 2 No Trustee may serve for a period of more than six years (including the period of office prior to the adoption of these Articles)

29 Change in composition of the Board

29 1 The make-up and number of the Board may be varied but not reduced below six. Variation can only be by a special resolution approved by a general meeting by a 75% vote in favour of such change of the members entitled to vote at the meeting

30. Notification of Change of members of the Board to the Registrar of Companies



30 1 All appointments, retirements or removals of Trustees and the Company Secretary must be notified to the Registrar of Companies.

31. Co-option

31 1 The Board may also co-opt one additional person onto the Board at any one time who shall hold office until the next annual General Meeting

31 2 Such a co-optee will be eligible for re-co-option and may vote at meetings of the Board

32 Ending of Board Membership

32 1 A Trustee ceases to hold office if he or she

- (a) becomes bankrupt or makes any arrangement or composition with his or her creditors generally; or
- (b) becomes barred from membership of the Board because of any order made under the Statutes or by virtue of Section 72 of the Charities Act 1993, or
- (c) becomes incapable whether mentally or physically of managing his or her affairs, or
- (d) resigns the office by notice in writing to the Company; or
- (e) is absent without notice from two consecutive meetings of the Trustees and is asked by a majority of the other Trustees to resign, or
- (f) is directly or indirectly involved in any contract with the Company and fails to declare the nature of his or her interest in the proper way The proper way is by giving notice at the first meeting of the Board at which the contract is discussed and which the relevant Trustee attends or by giving written notice to the Board if he is aware that the Board will discuss the contract but he is unable to attend the Board meeting or the first Board meeting after the member became interested in the contract, or
- (g) is removed from office in accordance with the provisions of Article 33, or



- (h) ceases to be a member of the Company, or
- (i) is considered by at least 75% of the total number of Trustees that the Trustee is unfit to continue as a Trustee of the Company, or
- (j) in the case of an Industry Trustee they may be removed from office by the Funding Council in accordance with arrangements that Funding Council determine from time to time

### 33. Removal of a Trustee by a General Meeting

33.1 A general meeting of the Company may by ordinary resolution remove any Trustee before the end of his or her period of office whatever the rest of these Articles or any agreement between the Company and the Trustee may say

33.2 Removal can take place only by the Company passing an ordinary resolution saying so. Member(s) of the Company must give a notice to the Company of intention to remove a Trustee and/or appoint a replacement. At least 28 Clear Days' notice must be given to the Company and subsequently at least 14 Clear Days' notice to the membership by the Company. Once the Company receives such notice it must immediately send a copy to the Trustee concerned. He or she has a right to be heard at the general meeting. He or she also has the right to make a Written statement of reasonable length. If the statement is received in time it must be circulated with the notice of the meeting. If it is not sent out, the Trustee may require it to be read to the meeting.

### 34. Meetings of the Board

34.1 The Board may meet, adjourn and runs its meetings as it wishes, subject to the rest of these Articles

34.2 Subject to Article 34.3 questions arising at any meeting must be decided by a majority of votes. Every Trustee has one vote including the Chair. If the votes are equal, the Chair has a second or casting vote. If the Chair is not present, the casting vote shall be cast by the two Vice-chairs acting together, if they are unable to agree, the question shall be decided so as to preserve the position prior to the vote.



- 34 3 Votes on the following matters shall be considered "special votes" setting or modifying the annual budget, co-opting a Board member, changes to the constitution or any major change of policy which shall include any change to any remit documents or code of practice which has been adopted (if it is disputed whether a matter is "major", the Chair shall rule) A special vote shall only succeed if at least 75% of the votes cast are in favour and at least one vote in favour is cast by a member nominated by the Funding Council There is no casting vote at a special vote
- 34 4 A Trustee may, and the Secretary if requested by a Trustee must, summon a meeting of the Board
- 34.5 Any director may participate in a meeting of the Directors or a committee constituted pursuant to Article 40 of which he or she is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Statutes, shall be entitled to vote and be counted in a quorum accordingly Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairperson of the meeting then is
- 35 Officers of the Board
- 35 1 The Board may elect or remove any officers that it wishes from among the Trustees
- 35.2 The Board will have two Vice-chairs The Industry Vice-chair will be selected for a period of two years by the Industry Trustees. The Independent Vice-chair will be elected for a period of two years by the Independent Trustees Both Vice-Chairs are eligible for re-election for a maximum of two further periods of two years
- 35 3 The Company will have a Chief Executive who will be chosen by an open selection procedure managed by a Committee of the Board comprising the Chair, representation from both Industry and Independent Trustees, and an independent person from outside the Board agreed by the other Committee members



35 4 The Chief Executive will be a salaried employee of the Company and will attend Board meetings except where his own conduct and/or terms of service are being discussed, but he has no vote and is not counted in the quorum.

36 Quorum of the Board

36 1 The quorum necessary for business to be done at a Board meeting is 50% of the current Trustees which shall include at least one Industry Trustee and at least one Independent Trustee.

37 Vacancies on the Board

37.1 The Board may act despite any vacancy on the Board, but if the number of Trustees falls below the quorum, it may act only to summon a general meeting of the Company or for the purpose of filling vacancies on the Board

38. A Resolution may be Approved by Signature Without a Meeting

38.1 A resolution in writing Signed by all the Trustees or any committee is as valid as if it had been passed at a properly held meeting of the Board or committee The resolution may consist of several documents in the same form Signed by one or more members of the Board or committee

39 Validity of Acts Done at Meetings

39 1 If it is discovered that there was some defect in the procedure at a meeting or the appointment of a Trustee or that he or she was disqualified, anything done before the discovery at any meeting of the Board is as valid as if there were no defect or disqualification

40 Delegation by the Board to Committees

40.1 The Board may delegate any of its powers to committees consisting of one or more Trustees and a committee must conform to any rules that the Board imposes on it.

40 2 The Board may co-opt any person or people to serve on the committee.

40 3 All acts and proceedings of the committee must be reported to the Board as soon as possible



- 41 Chair of Committees
  - 41 1 The Board may elect a Chair of the Committee meetings, otherwise the Committee can nominate one
  - 41 2 If at any meeting the committee's Chair is not present within 10 minutes after the appointed starting time, the members present may choose one of their number to be Chair of the meeting.
- 42. Meetings of Committees
  - 42.1 A committee may meet and adjourn whenever it chooses
  - 42 2 Questions at the meeting must be decided by a majority of votes of the members present
  - 42 3 A committee must have minutes entered in minute books Copies of these minutes must be given to all Trustees
- 43 Appointment and Removal of the Company Secretary
  - 43 1 The Board appoint and remove the Company Secretary and may decide his or her period of office, pay (if not a Trustee) and conditions of service
- 44 Actions of Directors and Company Secretary
  - 44 1 The Act says that some actions must be taken both by a Trustee and by the Company Secretary If one person is both a Trustee and a Company Secretary, it is not enough for him or her to do the action first as a Trustee and then as Company Secretary or vice versa.
- 45 The Seal
  - 45.1 If the Company shall decide to use a company seal the Board must provide safe custody of the Seal.
  - 45 2 The Seal may only be used as the authority of the Board or of a sub-committee authorised by the Board to use it.
  - 45 3 Everything to which the Seal is affixed must be:-
    - (a) signed by a member of the Board, and





- (b) countersigned by the Company Secretary or by a second Trustee or by some other person appointed by the Board for that purpose

46 Proper Accounts must be Kept

- 46 1 Accounts shall be prepared in accordance with the Statutes

47 Books must be Kept at the Office

- 47.1 The books of account must be kept at the Office or at other places decided by the Board. The books of account must always be open to inspection by Trustees

48. Inspection of Books

- 48 1 The Trustees must decide whether, how far, when, where and under what rules the books of account may be inspected by members who are not Trustees. A member who is not a Trustee may only inspect a book of account or document of the Company if the right is given by law or authorised by the Trustees or a general meeting

49 Profit and Loss Account and Balance Sheets

- 49 1 The Board must, for each accounting reference period, put before a general meeting of the Company:-

- (a) a statement of financial activities, including an income and expenditure account;
- (b) a report by the Board on the state of the Company as required by the law,
- (c) a balance sheet, and
- (d) such other reports, statements or accounts as are from time to time required by law

- 49 2 The Board must file with the Registrar of Companies and the Charity Commission all annual returns and other documents that are required to be filed

50 Copies for Members



50 1 Certain documents must be sent to members of the Company at least 21 Clear Days before the date of the general meeting These documents are -

- (a) a copy of every balance sheet (including every document required by law to be attached to it) which is to be laid before the Company at the general meeting,
- (b) a copy of any report from reporting accountants or auditors, and
- (c) a copy of the report of the Trustees

50 2 But this Article does not require a copy of these documents to be sent to anyone whose address the Company does not know

#### 51 Appointment of Reporting Accountants or Auditors

51 1 The Company must appoint properly qualified reporting accountants or properly qualified auditors if the level of the Company's income or assets from time to time makes this a legal requirement

#### 52 Service of Notices

52 1 The Company may give notice to any member either personally or by delivering it or sending it by ordinary post, by fax or by email to the member's registered address. If the member lacks a registered address within the United Kingdom or elsewhere, notice may be sent to any address within the United Kingdom or elsewhere which he or she has given the Company for that purpose.

52 2 If a notice is sent by post, it will be treated as having been served by properly addressing, pre-paying and posting a sealed envelope containing the notice. If sent by fax or email it will be treated as properly sent if the Company received no indication that it has not been properly sent.

52 3 The notice will be treated as having been received 48 hours after the envelope containing it was posted if posted by first class post and 72 hours after posting if posted by second class post. If sent by fax or email, the notice will be treated as having been received 24 hours after having been successfully sent

#### 53 Accidental Omission of Notice



53 1 Sometimes a person entitled to receive a notice of a meeting does not receive it because of accidental omission or some other reason. This does not invalidate the proceedings of that meeting.

54 Who is Entitled to Notice of General Meetings

54 1 Notice of every general meeting must be given to -

(a) every member (except those members who lack a registered address within the United Kingdom and have not given the Company an address for notices within the United Kingdom),

(b) the reporting accountants or auditor of the Company,

(c) all Trustees, and

(d) all those with rights of nomination to the Board (if any)

54 2 No one else is entitled to receive notice of general meetings

55 Alteration of the Articles

55.1 The Company may alter these Articles only by a special resolution. A special resolution must be passed at a meeting of members of which 14 Clear Days' notice has been given of the intention to pass a special resolution and at which 75% of those voting vote in favour of it and at least one vote in favour is cast by an Industry Member. The Chair will not have a second or casting vote. Such a resolution may be passed on shorter notice if 90% of members having the right to vote agree, unless it is in respect of an annual general meeting in which case 100% of the members having the right to vote must agree to such short notice.

55 2 No alteration may be made to an article which directs or restricts the way money or property of the Company may be used or which authorises any benefit for Trustees without the Charity Commission's prior Written approval.

56 Regulations

56 1 The Board may make such regulations, by-laws or standing orders as it sees fit. These must not be inconsistent with the Articles or such that they would otherwise need to be made by a special resolution. No regulation may be



made which invalidates any prior act of the Board which would otherwise have been valid

- 56.2 The Company shall have the power to alter or repeal the rules or bye-laws referred to in Article 56 1 and to make any additions thereto. The Trustees shall adopt such means as they deem sufficient to bring to the notice of members all such rules or bye-laws made pursuant to Article 56 1 which, so long as they shall be in force, shall be binding on all members
- 57. Dissolution of the Company
  - 57 1 The Board or a general meeting may decide at any time to dissolve the Company. The Company shall then call a meeting of all members entitled to notice of general meetings
  - 57 2 Any surplus must be used in accordance with the provisions of the Memorandum of Association
- 58 Documents sent in Electronic Form or by means of a Website
  - 58 1 Where the Statutes permit the Company to send documents or notices to its members in Electronic Form, the documents will be validly sent provided the Company complies with the requirements of the Statutes.
  - 58 2 Subject to any requirement of the Statutes documents and notices may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.