

**THE COMPANIES ACT 2006**

**WRITTEN RESOLUTION**

**DELTA WELLBEING LTD**

**COMPANY NUMBER 11148475**

**ADOPTION OF NEW ARTICLES OF ASSOCIATION**

In accordance with the Companies Act 2006 which is incorporated in the company's articles of association we the undersigned, being all the members of the company who at the date of the resolution are entitled to attend and vote at general meetings of the company, hereby unanimously resolve upon the following resolution and agree that it shall be valid and effective as if it had been passed as a special resolution at a general meeting of the company duly convened and held.

Resolution

That the existing articles of association in their entirety be removed and substituted for the new articles of association attached to this resolution.

DATED 24/01/19

Signed *Linda Rose-Jones*

A duly authorised officer

For and on behalf of Carmarthenshire County Council the sole member of the company



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COMPANIES HOUSE

**The Companies Act 2006**

**Private Company Limited By Shares**

**Articles of Association of Delta Wellbeing Ltd**

as adopted by a written resolution passed on *24th January* 2019

**1 Interpretation**

In these Articles, the following words have the following meanings:

**A Share** means an ordinary share of £1 in the capital of the Company designated as an A Share;

**Act** means the Companies Act 2006;

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

**B Share** means an ordinary share of £1 in the capital of the Company designated as a B Share;

**Business Day** means a day other than a Saturday or Sunday or public holiday in England and Wales;

**C Share** means an ordinary share of £1 in the capital of the Company designated as a C Share;

**Conflict** has the meaning given in article 9.1;

**Eligible Director** means any Director who would be entitled to vote on the matter at a meeting of directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);

**holding company** and **subsidiary** mean a "holding company" and "subsidiary" as defined in section 1159 of the Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee;

**Interested Director** has the meaning given in article 9.1;

**Model Articles** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI/2008/3229) as amended prior to the date of adoption of these Articles; and

**Writing or written** 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, save that, for the purposes of article 16, article 17, article 18 and article 19, "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax).

- 1.1 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.
- 1.2 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.3 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.4 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.5 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

## **2 Adoption of the Model Articles**

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Articles 11, 14, 21, 27 to 29 (inclusive), 36, 44(2) and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company.
- 2.3 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 2.4 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

## **Directors**

**3 Directors' meetings**

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with article 4.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes.

**4 Unanimous decisions of directors**

- 4.1 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.
- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter in accordance with article 7.

**5 Number of directors**

There shall be no maximum number of directors and the minimum number is one. No shareholding qualification for directors shall be required.

**6 Calling a directors' meeting**

- 6.1 A director may waive the requirement that notice of a meeting of the directors or of a committee of the directors be given to him at any time before or after the date on which the meeting is held by notifying the Company to that effect. Where a director gives such notice to the Company after the meeting has been held, that does not affect the validity of the meeting or of any business conducted at it. Article 9(4) of the Model Articles shall be modified accordingly.
- 6.2 If all the directors participating in a meeting are not in the same place, the 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 chairman of the meeting is. Article 10(3) of the Model Articles shall not apply to the Company.
- 6.3 Notice of any directors' meeting must be accompanied by:
- 6.3.1 an agenda specifying in reasonable detail the matters to be raised at the meeting; and
  - 6.3.2 copies of any papers to be discussed at the meeting.

## 7 Quorum for and voting at directors' meetings

The quorum for the transaction of business of the directors shall be two unless there is a sole director, in which event, the sole director shall constitute a quorum. Each Director shall have one vote save the Independent Chairman who shall also have a casting vote.

### Directors' interests

- 7.1 The shareholders may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (the **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):
- 7.2.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 7.2.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
  - 7.2.3 provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
  - 7.2.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit; of the Act provides that a resolution to authorise a director's conflict will be invalid if the relevant meeting would not have been quorate had the conflicted director not attended. As such, it will be important to ensure that any quorum article makes adequate provision for a directors' meeting to be quorate without the conflicted director
  - 7.2.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in *relation to the Company's affairs where to do so would amount to a breach of that confidence*; and
  - 7.2.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 7.3 Where the shareholders authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the shareholders in relation to the Conflict.

- 7.4 The shareholders may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 7.5 A director, notwithstanding his office, may be a member, director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, any shareholder of the Company and no authorisation under article 8.1 shall be necessary in respect of any such interest.
- 7.6 Any director shall be entitled from time to time to disclose to the holders of the A Shares, the holders of B Shares or (as the case may be) the holders of the C Shares such information concerning the business and affairs of the Company as he shall at his discretion see fit, subject only to the condition that the director concerned shall ensure that each of the shareholders receives the same information on an equal footing.
- 7.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the shareholders in accordance with these Articles (subject to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 7.8 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 7.9 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 9.9.
- 7.10 Subject, where applicable, to any terms and conditions imposed by the shareholders in accordance with article 8.2, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 7.10.1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
  - 7.10.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
  - 7.10.3 shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such

transaction or arrangement or proposed transaction or arrangement in which he is interested;

- 7.10.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 7.10.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 7.10.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

## **Shares**

### **8 Share capital**

- 8.1 Except as otherwise provided in these Articles, the A Shares, B Shares and the C Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 8.2 On the transfer of any share as permitted by these Articles a share shall remain of the same class as before the transfer.
- 8.3 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.
- 8.4 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:
  - 8.4.1 any alteration in the Articles;
  - 8.4.2 any reduction, subdivision, consolidation, redenomination, purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital; and

8.4.3 any resolution to put the Company into liquidation.

**9 Unissued shares**

9.1 No shares in the Company shall be allotted nor any right to subscribe for or to convert any security into any shares in the Company shall be granted unless within one month before that allotment or grant (as the case may be) every shareholder for the time being has consented in writing to that allotment or grant and its terms and to the identity of the proposed allottee or grantee.

9.2 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class.

9.3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) where the consent to that allotment of every shareholder has been obtained as required by these Articles and that allotment otherwise conforms to the requirements of these Articles.

**10 Further issues of shares: authority**

10.1 Subject to article 11 and the remaining provisions of this article 12, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:

10.1.1 offer or allot;

10.1.2 grant rights to subscribe for or to convert any security into; or

10.1.3 otherwise deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

10.2 The authority referred to in article 12.1:

10.2.1 shall be limited to a maximum nominal amount of £2, being one B Share and one C Share;

10.2.2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and

10.2.3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

**11 Share transfers**



- 11.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.
- 11.2 No share shall be transferred unless the transfer is made with the prior written consent of each of the shareholders.

#### **Decision making by shareholders**

##### **12 Poll votes**

- 12.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 12.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

##### **13 Proxies**

- 13.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".
- 13.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

#### **Administrative arrangements**

##### **14 Means of communication to be used**

- 14.1 Any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- 14.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;
- 14.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 14.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

- 14.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

- 14.2 In proving that any notice, document or information was properly addressed, it shall be sufficient to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

**15 Indemnity and insurance**

- 15.1 Subject to article 15.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

15.1.1 each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and

15.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 15.1.1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

- 15.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

- 15.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

- 15.4 In this article:

15.4.1 a "relevant officer " means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and

15.4.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company.