

**THE COMPANIES ACT 2006**

**COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL**

**ARTICLES of ASSOCIATION**

**OF**

**COMMUNITIES HOUSING TRUST**

**COMPANY NUMBER: SC182862**

**(SCOTTISH CHARITY NO: SC027544)**

1. The company's name is "Communities Housing Trust".
2. The company's registered office is to be situated in Scotland.
3. This Article shall be interpreted as if it incorporated an over-riding qualification limiting the powers of the company such that any activity which would otherwise be permitted by the terms of the Article may be carried on only if that activity furthers a purpose which is regarded as charitable for the purposes of Section 505 of the Income and Corporation Taxes Act 1988 and the Charities and Trustee Investment (Scotland) Act 2005 (including any statutory amendment or re-enactment for the time being in force). Subject to that over-riding qualification, the company's objects are:-
  - (1) To provide, or assist in the provision of housing for persons in necessitous circumstances, in the Highlands and Islands Electoral Region of the Scottish Parliament or such other area that may replace it ("the Primary Operating Area") and outside the said Highlands and Islands Electoral Region but always within Scotland ("the Secondary Operating Area")
  - (2) To relieve the needs of persons suffering from mental or physical disability, illness or impairment or old age, through the provision, or assistance in the provision, of housing specially adapted to meet their requirements, primarily, but not exclusively, in the Primary Operating Area.
  - (3) To promote education, particularly in the field of housing, primarily, but not exclusively, in the Primary Operating Area.
  - (4) To promote, establish, operate and/or support schemes and projects of a charitable nature, which promote inclusion, sustainability and wellbeing, provided always that these are not dealt with on a commercial basis, for the benefit of communities in the Primary and Secondary Operating Areas.

- (5) To promote the advancement of citizenship or community development (including rural or urban regeneration and the promotion of civic responsibility, volunteering, the voluntary sector or the effectiveness or efficiency of charities) in the Primary and Secondary Operating Area.

In pursuance of those aims (but not otherwise) the company shall have the following powers:-

- (a) To promote, establish, carry out and/or support schemes and activities of all kinds directed towards increasing the availability of housing of the nature referred to in Article 3 (1) and (2), which may include (without prejudice to that generality) the identification, assessment and landbanking of suitable sites, the development of such sites or the disposal of such sites (subject to appropriate safeguards directed towards continued use of the sites for charitable purposes) to third parties, the purchase and rehabilitation of older properties, and the provision of low-interest loans for housing purposes to persons falling within the categories referred to in Article 3 (1) or (2) above.
- (b) To advise in relation to, prepare, organise and/or conduct educational and training courses, programmes, conferences and events of all kinds.
- (c) To prepare, publish and/or distribute information leaflets, newsletters, booklets and other publications, posters, audio or video tapes, multi-media products and other materials.
- (d) To collate and maintain information in relation to persons within the categories referred to in Article 3 (1) and (2) seeking housing, the availability of housing for such persons, the availability of suitable housing sites, the nature and extent of grant funding and other forms of support in relation to housing of the nature described in Article 3 (1) and (2) and other relevant matters, all with a view to maximising the efficacy of the company's functions.
- (e) To stimulate the formation of, co-ordinate, monitor and/or support community groups and other bodies operating within the voluntary sector whose activities further the aims of the company and are otherwise directed towards some charitable purpose.
- (f) To liaise with public authorities, housing associations, community groups, voluntary bodies and others, all with a view to furthering the aims of the company.
- (g) To carry out any other activity, so long as it is in furtherance of their charitable purposes, which may be advantageously carried out in connection with any of the objects of the company, including primary purpose trading, trading that is ancillary to the primary purpose but directly linked to the primary purpose, beneficiary trading, minor trading, fund raising events and lotteries.
- (h) To promote companies whose activities may, directly or indirectly, further one or more of the above objects or any associated purpose or which may generate income to support the activities of the company, acquire and hold shares, stocks, debentures and other interest 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.

- (i) To acquire and take over the whole or any part of the undertaking and liabilities of any person entitled to any property or rights suitable for any of the objects of the company.
- (j) To purchase, take on feu, lease, hire, take in exchange, and otherwise acquire any property and rights which may be advantageous for the purposes of the activities of the company.
- (k) To improve, manage, exploit, develop, turn to account and otherwise deal with all or any part of the undertaking, property and rights of the company.
- (l) To see, feu, let, hire, license, give in exchange and otherwise dispose of all or any part of the undertaking, property and rights of the company.
- (m) To lend money and give credit to any person, with or without security, and to grant guarantees and contracts of indemnity on behalf of any person.
- (n) To borrow money and give security for the payment of money by, or the performance of other obligations of the company or any other person.
- (o) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques and other negotiable or transferable instruments.
- (p) To remunerate any individual in the employment of the company and to establish, maintain and contribute to any pension or superannuation fund for the benefit of, and to give or procure the giving of any donation, pension, allowance or remuneration to, and to make any payment for or towards the insurance of any individual who is or was at any time in the employment of the company and the spouse, widow/er, relatives and dependents of any such individual; to establish, subsidise and subscribe to any institution, association, club and fund which may benefit any such person.
- (q) To oppose or object to any application or proceedings which may prejudice the company's interest.
- (r) 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 right, privilege or concession.
- (s) To enter into any arrangement for co-operation or mutual assistance with any charitable body, whether incorporated or unincorporated.
- (t) To effect insurance against risks of all kinds.
- (u) 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.

- (v) 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.
- (w) 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.
- (x) 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.
- (y) To carry out any of these objects in any part of the world as Principal, Agent, Contractor, Trustee or in any other capacity and through an Agent, Contractor, Sub-contractor, Trustee or any person acting in any other capacity and either alone or in conjunction with others.
- (z) To do anything which may be incidental or conducive to the attainment of any of the objects of the company.

And it is declared that:-

- (i) In this Article where the context as admits, “property” means any property, heritable or moveable, real or personal, wherever situated.
  - (ii) In this Article, and throughout these Articles, the word “charitable” shall be the meaning ascribed to it for the purposes of Section 505 of the Income and Corporation Taxes Act 1988 and the Charities and Trustee Investment (Scotland) Act 2005, including any statutory amendment or re-enactment for the time being in force.
4. (a) The income and property of the company shall be applied solely towards promoting the company’s objects (as set in Article 3 of these Articles).
- (b) No part of the income or property of the company shall be paid or transferred (directly or indirectly) to the members of the company, whether by way of dividend, bonus or otherwise, unless such payment or transfer is made in direct furtherance of the charitable objects of the company.
- (c) No Director of the company shall be appointed as a paid employee of the company; no Director shall hold any office under the company for which a salary or fee is payable.
- (d) No benefit (whether in money or in kind) shall be given by the company to any Director except (i) repayment of out-of-pocket expenses or (ii) reasonable payment in return for particular services (not being of a management nature) actually rendered to the company.
5. The liability of the members is limited.

6. Every member of the company 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/she is a member or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she 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.
- 7.1 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 of the company but shall be transferred to some other charitable body or bodies (whether incorporated or unincorporated) operating in the Primary Operating Area whose objects are altogether or in part similar to the objects of the company and whose constitution restricts the distribution of income and assets among members to an extent at least as great as does Article 4 hereof.
- 7.2 The body or bodies to which property is transferred under Article 7.1 shall be determined by the members of the company at or before the time of dissolution or, failing such determination, by such court as may have or may acquire jurisdiction.
- 7.3 To the extent that effect cannot be given to the provisions of Articles 7.1 and 7.2, the relevant property shall be applied to some other charitable object or objects.
- 8.1 Accounting records shall be kept in accordance with all applicable statutory requirements and such accounting reports 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; such accounting records shall be open to inspection at all times by any Director of the company.
- 8.2 The company's auditors shall make a report to the members on the accounts examined by them and on every balance sheet and income and expenditure account and on all group accounts, copies of which are to be laid before the company in general meeting.

### **Membership**

9. The subscribers to these Articles of Association and such other persons and bodies as may be admitted to membership under these Articles (as amended from time to time) shall be the members of the company.
10. A member may not transfer his/her membership to any other person or body.

### **Qualifications for membership**

11. Subject to Articles 9, 12 and 14, membership shall be open to:
  - (a) Highland Council incorporated under the Local Government etc. (Scotland) Act 1994 and having a principal office at Council Buildings, Glenurquhart Road, Inverness or such other body as may replace them or such other successor body as may be determined in a general meeting of the company as having replaced them;

- (b) Scottish Crofting Federation, a company incorporated under the Companies Acts (Company Number SC218658, Charities Number SC031919) and having its registered office at Kyle Industrial Estate, Unit 26, Kyle IV40 8AX or such other body as may replace them or such other successor body as may be determined in a general meeting of the company as having replaced them;
  - (c) Scottish Land and Estates a company incorporated under the Companies Acts (Company Number SC257726) and having its registered office at Stuart House, Eskmills Business Park, Station Road Musselburgh, East Lothian, EH21 7PB or such other body as may replace them or such other successor body as may be determined in a general meeting of the company as having replaced them;
  - (d) Any housing association having its registered office and primary area of operation within the company's Primary Operating Area and also any housing association with a stock of over 1500 houses in the primary operating area
  - (e) Any Community Council within the company's Primary and Secondary Operating Area.
  - (f) (subject to Article 12) any community association or similar locally representative community organisation based in the company's Primary or Secondary Operating Area.
12. Any reference in Article 11 to an unincorporated body shall be interpreted as a reference to such individual as may be nominated for membership from time to time by the management committee or other governing board of such body.
13. For the avoidance of doubt, no more than one individual admitted under Article 12 on the basis of nomination by each unincorporated body may constitute a member of the company at any given time.
14. The Directors shall be entitled at their discretion to refuse to admit to membership of any association or organisation (or, as the case may be, any individual nominated by an association or organisation) applying for membership under paragraph (f) of Article 3.

### **Application for Membership**

15. Any body eligible for membership under Article 11 which wishes to become a member shall lodge with the company a written application for membership (in such form as the Directors require), signed by the appropriate offices of that body; the body will (subject to Article 17) automatically constitute a member of the company with effect from the date on which the application is received by the company.
16. Any individual eligible for membership under Articles 11 and 12 who wishes to become a member shall lodge with the company a written application for membership (in such form as the Directors require), signed by him/her and by the appropriate offices of the body nominating him/her for membership; he/she will (subject to Articles 13 and 14) automatically constitute a member of the company with effect from the date on which the application is received by the company.
17. Each application for membership under paragraph (f) of Article 11 will be considered at the first meeting of Directors which is held after receipt by the company of the relevant application for membership; if the decision of the Directors is to admit the

applicant to membership, he/she/it will constitute a member of the company with effect from the date that the board meeting or (if the decision of the Directors was to refuse admission) the Directors shall notify the applicant accordingly as soon as reasonably practicable.

### **Cessation of Membership**

18. Any individual or body who/which wishes to withdraw from membership shall lodge with the company a written notice of retiral, signed by him/her or (as the case may be) signed by the appropriate officers of that body; on receipt of the notice by the company he/she/it shall cease to be a member.
19. An individual admitted to membership under Article 12 on the basis of nomination by an unincorporated body shall automatically cease to be a member.
  - a. if the body which nominated him/her withdraws his/her nomination for membership by way of written notice to the company to that effect, signed by its appropriate officers.  
  
or
  - b. if the body which nominated him/her for membership is dissolved.
20. Membership shall cease on death or (in the case of a corporate body) on dissolution, liquidation, receivership or striking off of the body which constituted the member.

### **General Meetings**

21. All general meetings other than annual general meetings are to be call “extraordinary general meetings”. In these Articles, the following terms shall have the following meaning:-  
  
“**virtual meeting**” means a meeting where arrangements have been made in advance to allow participants to attend the meeting by means of a conference telephone, video link or similar means of electronic communication at which all participants can be heard and can hear each other without the need for them to be physically present at the same location. A person participating in a meeting by such means shall be deemed to be attending **virtually**.  
  
“**hybrid meeting**” means a meeting at which some participants are attending the meeting in person and others are attending virtually.
22. The Directors must convene an extraordinary general meeting if there is a valid requisition by members (under Section 303 of the Act) or a requisition by a resigning auditor (under Section 518 of the Act).
23. Subject to the preceding article and to the requirements under Section 307 of the Act, the Directors may convene general meetings whenever they think fit.

### **Notice of General Meetings**

24. At least twenty eight clear days’ notice must be given of an extraordinary general meeting at which a special resolution (see Article 30) or a resolution requiring special notice under the Act is to be proposed; all other extraordinary or annual general

- meetings shall be called by at least fourteen clear days' notice. Any meetings may be entirely virtual meetings or hybrid meetings as the circumstances allow.
25. The reference to "clear days" in Article 24 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, and also the day of the meeting, shall be excluded.
  26. A notice calling a meeting shall specify whether the meeting is to be a virtual meeting or a hybrid meeting, and the time and place of the meeting; it shall (a) indicate the general nature of any business to be dealt with at the meeting and (b) if a special resolution (see Article 30) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution, and (c) if it is to be a virtual or hybrid meeting, shall include details of the means by which a person may attend the meeting virtually.
  27. A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
  28. Notice to every general meeting shall be given to all the members and Directors and to the auditors.
  29. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by any person or body entitled to receive notice shall not invalidate the proceedings at that meeting.

### **Special Resolutions and Ordinary Resolutions**

30. For the purpose of these Articles, a "special resolution" means a resolution passed by 75% or more of the votes cast on the resolution at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with Articles 24 and 26; for the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution as compared with the number of votes cast against the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.
31. In addition to the matters expressly referred to elsewhere in these Articles, the provisions of the Act allow the company, by special resolution,
  - a. to alter its name
  - b. to alter its Articles of association with respect to the company's objects
  - c. to alter any provision of these Articles or adopt new Articles of association.
32. For the purpose of these Articles, an "ordinary resolution" means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes cast against) at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting has been given in accordance with Articles 24 and 26.

### **Proceedings at General Meetings**

33. No business shall be transacted at any general meeting unless a quorum is present; 10



members, or if greater one tenth of the total membership, (in each case, present in person or represented by proxy or by a duly authorised representative) shall be a quorum. A person shall be deemed to be present by attending either in person or virtually where arrangements for virtual attendance have been made. A person attending a meeting virtually shall have the same rights to receive notice, speak, vote and otherwise participate in the meeting as he or she would have if attending the meeting in person.

34. If the quorum required under Article 33 is not present within half an hour after the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.
35. The chairperson of the board of Directors shall (if present and willing to act) preside as chairperson of the meeting; if the chairperson of the board of Directors is not present and willing to act as chairperson of the meeting within half an hour of the time appointed for holding the meeting, the vice chairperson shall (if present and willing to act) preside as chairperson of the meeting.
36. If the vice chairperson is not present and willing to act as chairperson of the meeting within half an hour of the time appointed for holding the meeting, the Director present shall elect one of their number to act as chairperson of the meeting or, if there is only one Director present and willing to act, he/she shall be chairperson of the meeting.
37. A Director shall, notwithstanding that he/she is not a member, be entitled to attend and speak at any general meeting.
38. The chairperson of the meeting may, with the consent of the meeting at which a quorum is present (and must, if the meeting requests him/her to do so), adjourn the meeting but not for a period in excess of thirty days; no notice need be given of an adjourned meeting.
39. A resolution put to the vote of a meeting shall be decided on a show of hands unless before the show of hands, or immediately after the result of the show of hands is declared, a secret ballot is demanded by the chairperson of the meeting or by any person present at the meeting and entitled to vote (whether as a member, a proxy for a member or the representative of a corporate *member*). A person entitled to vote upon the business at a meeting may do so either in person or virtually where arrangements for virtual attendance have been made.
40. If a secret ballot is demanded in accordance with the preceding article, it shall be taken at once and shall be conducted in such manner as the chairperson of the meeting may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded. Where a vote is to be taken by means of a secret ballot, any arrangements for a meeting to be held as virtual meeting or as a hybrid meeting shall include means for those attending virtually to cast their vote secretly.
41. For the avoidance of doubt, sections 288 to 300 of the Act shall apply in regard to written resolutions of the company.

### **Votes of Members**

42. Every member shall have one vote, which may be given either personally (in the case of a member which is a corporate body, via its duly authorised representative) or (whether on a show of hands or on a secret ballot) by proxy.
43. A member who/which wishes to appoint a proxy to vote on his/her/its behalf at any meeting (or adjourned meeting) shall lodge with the company, at the company's registered office, not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting), a written instrument of proxy (in such form as the Directors require), signed by him/her or (as the case may be) signed by its appropriate officers; an instrument of proxy which does not conform with the preceding provisions or which is not lodged in accordance with such provisions shall be invalid.
44. A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
45. A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who/which appointed him/her to speak at the meeting and need not be a member of the company.
46. A member which is a corporate body may authorise an individual to act as its representative at any general meeting of the company; the individual so authorised shall be entitled to exercise the same powers on behalf of the member which he/she represents as that corporate body could exercise if it were an individual member.
47. A vote given, or ballot demanded, by proxy or by the duly authorised representative of a corporate member shall be valid notwithstanding that the authority of the person voting or demanding a ballot had terminated prior to the giving of such vote or demanding of such ballot unless notice of such termination was received by the company at the company's registered office before the commencement of the meeting or adjourned meeting at which the vote was given or the ballot demanded.
48. In the case of an equality of votes, whether on a show of hands or on a ballot, the chairperson of the meeting shall not be entitled to a casting vote.

### **Categories of Director**

49. For the purposes of these Articles

“Appointed Director” means a Director appointed or re-appointed under Articles 51 to 55.

“Elected Director” means a Director appointed or re-appointed under Articles 56 to 58.

“Co-opted Director” means a Director appointed or re-appointed under Articles 59 to 61.

### **Number of Directors**

50. The maximum number of Directors (excluding for this purpose alternate Directors) shall be sixteen, of whom a maximum of eight Directors shall be Appointed Directors, a maximum of six Directors shall be Elected Directors, and a maximum of two Directors shall be Co-opted Directors.

### **Appointment, Removal, Vacating of Office, Re-appointment: Appointed Directors**

51. Subject to Article 53, each of the members admitted under paragraphs (a) to (f) of Article 11 may, by notice in writing, signed by its appropriate officers and given to the company
- a. appoint any person (other than an employee of the company) who is willing so to act to be a Director (an “Appointed Director”), either to fill a vacancy or as an additional Director
- or
- b. remove any Appointed Director appointed by it from office as a Director
52. Any appointment or removal of a Director under Article 51 shall have effect from the date on which the relevant notice is given to the company.
53. The powers conferred by Article 51 shall be deemed to be qualified such that the maximum number of Directors appointed to each member under Article 51 who may hold office as Director at any given time shall not exceed the number set opposite that member’s name as follows:-
- Highland Council – 2 Directors
- Scottish Crofting Federation – 1 Director
- Scottish Land and Estates – 1 Director
- Any housing association admitted under paragraph (d) of Article 11 – 1 Director per housing association, subject to a maximum of 4 Directors of any housing associations being members of the company at any one time.
54. Any reference in Article 53 to an unincorporated body shall be deemed to be a reference to the individual who constitutes from time to time a member of the company on the basis of nomination by that unincorporated body; in relation to a member within that category.
- a. The reference in Article 51 to the notice being signed by the appropriate officers of the body giving the notice shall be deemed to be a reference to the notice being signed by the individual who constitutes the member of the company.
  - b. A Director appointed by an individual who was admitted to membership on the basis of nomination by an unincorporated body shall be deemed to have been appointed by the individual who constitutes from time to time the current member admitted on the basis of nomination by that body, irrespective of whether that current member, or some predecessor, effected the appointment.
55. At the conclusion of each annual general meeting, the Appointed Directors shall vacate office – but shall then be eligible for re-appointment.

### **Appointment, Retiral, Re-Appointment: Elected Directors**

56. At any annual general meeting, the members admitted under paragraph (e) of Article 11 (“the Community Members”) may (subject to Article 50) elect as a Director (an “Elected Director”) any person (other than an employee of the company) who is willing so to act (either to fill a vacancy or as an additional Director). Said Elected Directors shall be appointed for a period of three years.
57. If, for any reason, there is any vacancy in relation to the Elected Directors during the period between annual general meetings (or, as the case may be, prior to the first annual general meeting), the remaining Elected Directors may (subject to Article 50) appoint any person (other than an employee of the company) to be a Director (an “Elected Director”) provided he/she is willing so to act, to fill the vacancy.
58. Elected Directors shall retire from office when they reach the 3 year anniversary of their appointment, but shall then be eligible for re-election under Article 56; if any such Director is not re-elected, he/she shall retain office until the Community Members appoint someone in his/her place or, if they do not do so, until the end of the meeting.

#### **Appointment, Vacating of Office, Re-appointment: Co-opted Directors**

59. Subject to Article 50, the Directors may at any time appoint any person (other than an employee of the company) to be a Director (a “Co-opted Director”) providing he/she is willing so to act, on the basis of the specialist expertise which he/she can contribute to the board of Directors.
60. At the conclusion of each annual general meeting, the Co-opted Directors shall vacate office.
61. Immediately following each annual general meeting, the Directors may re-appoint any person who, as a Co-opted Director, vacated office under the preceding article at the conclusion of the annual general meeting; the Directors may alternatively appoint someone in his/her place or resolve not to fill the vacancy.

#### **Disqualification and Removal of Directors**

62. A Director shall vacate office if:-
  - a. he/she ceases to be a Director by virtue of any provision of the Act or becomes prohibited by law from being a Director.
  - b. he/she is sequestered
  - c. he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity has continued, or is expected to continue, for a period of more than six months.
  - d. He/she becomes an employee of the company.
  - e. In the case of an Appointed Director, the individual or body who/which appointed him/her ceases to be a member of the company.
  - f. He/she resigns office by notice to the company.

- g. He/she is absent (without permission of the Directors) from more than three consecutive meetings of Directors and the Directors resolve to remove him/her from office.

or

- h. He/she is removed from office by ordinary resolution (special notice having been given) in pursuance of Section 282 of the Act.

### **Appointments of Offices**

- 63. Directors shall be appointed to hold the offices of chairperson, vice-chairperson, treasurer and any other office which the Directors may consider appropriate.
- 64. The appointments under the preceding article shall be made at meetings of Directors.
- 65. Each office shall be held (subject to Article 67) until the conclusion of the annual general meeting which next follows appointment; a Director whose period of office expires under this article may be re-appointed to that office under Article 64 (providing he/she is willing to act).
- 66. The appointment of any Director to an office under Article 63 shall terminate if he/she ceases to be a Director or if he/she resigns from that office by notice to the company.
- 67. If the appointment of a Director to any office under Article 63 terminates (other than at an annual general meeting under Article 66), the Directors shall appoint another Director to hold the office in his/her place.

### **Directors' Interests**

- 68. Subject to the provisions of the Act and of Article 4 of these Articles Association and provided that he/she has disclosed to the Directors the nature and extent of any personal interest which he/she has (unless immaterial), a Director (notwithstanding his/her office).
  - a. may be a party to, or have some other personal interest in, any transaction or arrangement with the company of any associated company.
  - b. may be a party to, or have some other personal interest in, any transaction or arrangement in which the company or any associated company has an interest.
  - c. may be a Director or secretary of, or employed by, or have some other personal interest in, any associated company.

and

- d. shall not, because of his/her office, be accountable to the company for any benefit which he/she derives from any such office or employment or from any such transaction or arrangement or from any interest in any such company.

and no such transaction or arrangement shall be liable to be treated as void on the grounds of any such interest or benefit.

69. For the purposes of the preceding article, an interest of which a Director has no knowledge and of which it is unreasonable to expect him/her to have knowledge shall not be treated as an interest of his/hers; the reference to “associated company” shall be interpreted as reference to any subsidiary of the company or any other company in which the company has a direct or indirect interest.

### **Directors’ Remuneration and Expenses**

70. No Director shall be entitled to any remuneration, whether in respect of his/her office as Director or as holder of any office under Article 63.
71. The Director may be paid all travelling and other expenses properly incurred by them in connection with their attendance at meetings of Directors, general meetings, meetings of committees of Directors or otherwise in connection with the carrying out of their duties.

### **Power of Directors**

72. Subject to the provisions of the Act and these 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.
73. No alteration of these 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 has not been given.
74. The powers conferred by Article 73 shall not be limited by any special power conferred on the Directors of these Articles.
75. A meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

### **Proceedings of Directors**

76. Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit.
77. Any Director may call a meeting of the Directors or request the secretary to call a meeting of the Directors. Such meeting may be entirely virtual or hybrid as the circumstances allow and as agreed by the Directors. Where arrangements have been made for a meeting to be held virtually or as a hybrid meeting, the notice calling the meeting shall state that fact and include details of the means by which the Directors may attend the meeting virtually.
78. Questions arising at a meeting of Directors shall be decided by a majority of votes; in the case of an equality of votes, the chairperson of a meeting of Directors shall have a second or casting vote. A Director attending a meeting virtually shall have the same rights to receive notice, speak, vote and otherwise participate in the meeting as he or she would have if attending the meeting in person.
79. A Director who is also an alternate Director shall be entitled in the absence of his/her

appointer to a separate vote on behalf of his/her appointer in addition to his/her own vote.

80. The quorum for the transaction of the business of the Directors shall be five; a person (other than a Director) acting as alternate Director, shall, if his/her appointer is not present, be counted in the quorum. A Director shall be deemed to be present by attending either in person or virtually where arrangements for virtual attendance have been made.
81. The continuing Directors or a sole continuing Director may act notwithstanding vacancies, but if the number of remaining Directors is less than the number fixed as the quorum they may act only for the purpose of filling vacancies or of calling a general meeting.
82. Unless he/she is unwilling to do so, the chairperson of the board of Directors shall preside as chairperson at every meeting of Directors at which he/she is present; if the chairperson of the board of Directors is unwilling to act as chairperson of a meeting of Directors or is not present within fifteen minutes after the time appointed for the meeting, the vice-chairperson shall preside as chairperson.
83. If the vice-chairperson is unwilling to act as chairperson of a meeting of Directors or is not present within fifteen minutes after the time appointed for the meeting, the Directors present may appoint one of their numbers to be chairperson of the meeting.
84. The Directors shall be entitled to allow any person to attend and speak (but not vote) at any meeting of the Directors.
85. A person invited to attend a meeting of the Directors under the preceding article shall not be entitled to exercise any of the powers of a Director, and shall not be deemed to constitute a Director for the purposes of the Act or any provision of these Articles.
86. All acts done by a meeting of Directors or by a meeting of a committee of Directors or by a person acting as a Director shall, notwithstanding that it is afterwards discovered that there was a defect in the appointment of any Director or that any of them was disqualified from holding office or had vacated office or was not entitled to vote, be as valid as if every such person has been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
87. 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 has been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held; it may consist of several documents in the same form, each signed by one or more Director.
88. A resolution signed by an alternate Director need not also be signed by his/her appointer; a resolution signed by a Director who has appointed an alternate Director need not be signed by an alternate Director in that capacity.
89. A Director shall not vote at a meeting of Directors or at a meeting of a committee of Directors on any resolution concerning a matter in which he/she has, directly or indirectly, a personal interest of duty (unless immaterial) which conflicts or may conflict with the interest of the company.
90. For the purposes of a preceding article,

- a. an interest of a person who is taken to be connected with a Director for any purpose of the Act (excluding any statutory modification not in force at the date of incorporation of the company), shall be treated as a personal interest of the Director.
  - b. an interest of the appointer of an alternate Director shall be treated as a personal interest of the alternate Director.
  - c. a Director shall be deemed to have a personal interest in relation to a particular matter if a body in relation to which he/she is an employee, Director, officer or elected representative has a personal interest in that matter.
91. A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote.
  92. The company may by ordinary resolution suspend or relax to any extent, either generally or in relation to any particular matter, the provisions of Articles 90 to 92.
  93. If a question arises at a meeting of Directors or at a meeting 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 chairperson of the meeting; his/her ruling in relation to any Director other than himself/herself shall be final and conclusive.

#### **Alternate Directors**

94. Subject to Article 96, any Director (excluding, for the avoidance of doubt, an alternate Director) may appoint any other Director, or any other person willing to act, to be an alternate Director and may remove from office an alternate Director as appointed by him/her.
95. A Co-opted Director shall not be entitled to appoint an alternate Director.
96. Any appointment or removal of an alternate Director may be effected by notice to the company signed by the Director making or revoking the appointment or may be effected in any other manner approved by the Directors.
97. A notice appointing an alternate Director may specify that the appointment is to relate only to a particular meeting at which the Director will not be present. In the absence of a statement to that effect, the appointment will be deemed to relate to carrying out all the functions of the Director until such time as the appointment is revoked.
98. An alternate Director shall, subject to the terms of the notice of appointment, be entitled to be given notice of all meetings of Directors and of all meetings of committees of Directors of which his/her appointer is a member, to attend and vote at any such meeting at which the Director who appointed him/her is not personally present and generally to perform all the functions of his/her appointer as a Director in his /her absence.
99. An alternate Director shall not be entitled to receive any remuneration from the company for his/her services as an alternate Director.



100. An alternate Director shall, subject to the following article, cease to be an alternate Director if his/her appointer ceases to be a Director.
101. If a Director retires at an annual general meeting or vacates office at the conclusion of an annual general meeting but is then re-elected at the annual general meeting or (as the case may be) re-appointed immediately following the annual general meeting, any appointment of an alternate Director made by him/her which was in force immediately prior to vacating of office shall continue after his/her re-election or re-appointment.
102. An alternate Director shall alone be responsible for his/her own acts and defaults; an alternate Director shall not be deemed to be an agent of the Director appointing him/her.
103. References in these Articles to Directors shall, unless the context otherwise requires, be construed as including alternate Directors.

### **Delegation of Committees of Directors and Holders of Offices**

104. The Directors may delegate any of their powers to any committee consisting of one or more Directors; they may also delegate to the chairperson, the Secretary or a Director holding any other office such of their powers as they consider appropriate.
105. 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.
106. Subject to any condition imposed in pursuance of the preceding article, the proceedings of a committee consisting of two or more Directors shall be governed by the Articles regulating the proceedings of meeting of Directors so far as they are capable of applying.

### **Secretary**

107. Subject to the provisions of the Act, the secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

### **Minutes**

108. The Directors shall ensure that minutes are made (in books kept for the purpose) of all proceedings at general meetings, meetings of the Directors and meetings of committees of Directors; a minute of a meeting of Directors or of a committee of Directors shall include the names of the Directors present and the minutes of each meeting shall be signed by the chairperson of that meeting. The minutes of a meeting shall record the names of all persons present at the meeting without distinction between those who attended in person and those who attended virtually.

### **Accounts**

109. No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or as authorised by the Directors or by ordinary resolution of the company.

### **Notices**

110. Any notice to be given in pursuance of these Articles shall be in writing.
111. The company may give any notice to a member either personally or by sending it by post in a pre-paid envelope addressed to the member at his/her/its registered address or by leaving it at that address.
112. A member may give any notice to the company either by sending it by post in a pre-paid envelope addressed to the company at its registered office or by leaving it, addressed to the Company Secretary, at the company's registered office.
113. Any notice, if sent by post, shall be deemed to have been given at the expiry of twenty four hours after posting; for the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.
114. A member present or represented at any meeting of the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
115. Subject to the Articles:-
- a. anything sent or supplied by or to the company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company;
  - b. any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being, and for the specified time to be less than 48 hours.

### **Winding-up**

116. If the company is wound up, the liquidator shall give effect to the provisions of Article 7.

### **Indemnity**

117. 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 the duties of his/her office, including, without prejudice to that generality, any liability incurred by him/her in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour or in which he/she is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.
118. For the avoidance of doubt, the company shall be entitled to purchase and maintain insurance against any loss or liability which any Director or other officer of the company may sustain or incur in connection with the execution of his/her office.

## **Interpretation**

119. In these Articles, “the Act” means the Companies Act 2006; any reference in these Articles to a provision of the Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time.
120. References in these Articles to the singular shall be deemed to include the plural.
121. For the avoidance of doubt, the provisions of the model Articles for private companies limited by guarantee as contained in Schedule 2 to the Companies (Model Articles) Regulations 2008 shall apply except to the extent that they are not inconsistent with these Articles. Where any such inconsistency exists, these article shall take precedence.