

**WRITTEN RESOLUTION OF THE COMPANY  
PURSUANT TO SECTION 288 OF THE COMPANIES ACT 2006**

The Directors of the Company propose that:

- written resolutions 1 and 3 be passed by the Company as a special resolutions; and
- written resolution 2 be passed by the Company as an ordinary resolution.

**SPECIAL RESOLUTION**

1. **THAT** the articles of association, annexed to these written resolutions, be and are hereby adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

**ORDINARY RESOLUTION**

2. **THAT** the Directors of the Company be and are hereby generally authorised in accordance with section 551 of the Companies Act 2006 (the "**CA 2006**") to exercise all the powers of the Company to allot shares in the Company up to an aggregate nominal amount of £77,500 comprising 77,500 preference shares of £1.00 each, provided that the authority shall, unless renewed, varied or revoked expire on 29 May 2024 save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted after such expiry and the directors shall be entitled to allot shares pursuant to any such offer or agreement as if this authority had not expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the CA 2006 but without prejudice to any allotment of shares already made or offered or agreed to be made pursuant to such authorities

**SPECIAL RESOLUTION**

3. **THAT** the Directors be and they are hereby empowered pursuant to section 570 of the CA 2006 to allot equity securities (within the meaning of section 560 of the CA 2006) for cash, pursuant to the authority conferred by Resolution 2 above, as if section 561 of the CA 2006 did not apply to such allotment.

Members of the Company who are eligible members because they are entitled to vote on the resolutions on the circulation date (that is the date on which copies of the resolutions is first sent to members, being 29 May 2019) should sign and date below to signify their agreement to the resolutions and return the signed document by hand or by post to company's postal address or send a copy by email to [jacob@offploy.org](mailto:jacob@offploy.org).

This resolution must be passed by the requisite majority by the end of the period of 28 days beginning with the circulation date otherwise it will lapse.

**Agreed**

Signed .....

[for and on behalf of - if corporate shareholder]

Name of registered holder: Nigel Darren  
Stabler

Date 29 May 2019

**Agreed**

Signed .....

[for and on behalf of - if corporate shareholder]

Name of registered holder: Jacob Robert Oliver  
Hill

Date 29 May 2019

The Companies Act 2006

**Articles of Association**  
of

# **OFFPLOY C.I.C.**

*A Community Interest Company Limited by Shares*

Company No 10204780

Incorporated 28th May 2016

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## **ARTICLES OF ASSOCIATION**

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As amended 29 May 2019

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**The Companies Act 2006**  
*Articles of Association of*  
**OFFPLOY C.I.C.**

**INTERPRETATION**

**1 Defined terms**

The interpretation of these Articles is governed by the provisions set out in the Schedule to the Articles. References to "the Company" mean Offploy C.I.C.

**COMMUNITY INTEREST COMPANY AND ASSET LOCK**

**2 Community Interest Company**

The Company shall be a community interest company.

**3 Asset Lock**

- (1) The Company shall not transfer any of its assets other than for full consideration.
- (2) Provided the conditions in Article 3(3) are satisfied, Article 3(1) shall not apply to:
- (a) the transfer of assets to any specified asset-locked body, or (with the consent of the Regulator) to any other asset-locked body;
  - (b) the transfer of assets made for the benefit of the community other than by way of a transfer of assets into an asset-locked body;
  - (c) the payment of dividends in respect of shares in the Company;
  - (d) the distribution of assets on a winding up;
  - (e) payments on the redemption or purchase of the Company's own shares;
  - (f) payments on the reduction of share capital; and
  - (g) the extinguishing or reduction of the liability of shareholders in respect of share capital not paid up on the reduction of share capital.
- (3) The conditions are that the transfer of:
- (a) assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles of the Company; and
  - (b) must not exceed any limits imposed by, or by virtue of, Part 2 of the Companies (Audit, Investigations and Community Enterprise) Act 2004.
- (4) If:
- (a) the Company is wound up under the Insolvency Act 1986; and
  - (b) all its liabilities have been satisfied,
- any residual assets shall be given or transferred to one or more asset locked bodies approved by the Regulator for this purpose.

**4 Not for profit**

The Company is not established or conducted for private gain and any profits or assets are used principally for the benefit of the community.

## OBJECTS, POWERS AND LIMITATION OF LIABILITY

### **5 Objects**

The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to assist ex-offenders and reduce re-offending through the provision of employment and training opportunities and personal support to ex-offenders throughout the United Kingdom.

### **6 Powers**

The Company may do all such lawful things as may further the Company's objects and in particular, but without limitation:

- (1) to seek and apply for funds, and to receive donations, endowments, sponsorship fees, subscriptions and legacies from persons desiring to promote the Company's objects or any of them, and to hold funds in trust for same: and
- (2) to borrow or raise or secure the payment of any money for the purposes of or in connection with the Company's objects and to mortgage or charge any part of the Company's property as security for borrowed money.

### **7 Liability of shareholders**

The liability of the shareholders is limited to the amount, if any, unpaid on the shares held by them.

## DIRECTORS

### DIRECTORS' POWERS AND RESPONSIBILITIES

### **8 Directors' general authority**

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

### **9 Shareholders' reserve power**

- (1) The shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specific action.
- (2) No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

### **10 Chair**

The Directors may appoint one of their number to be the Chair of the Directors for such term of office as they may determine and may at any time remove him or her from office.

### **11 Directors may delegate**

- (1) Subject to the Articles, the Directors may delegate any of their functions to any person or committee as they think fit.
- (2) If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person or committee to whom they are delegated.
- (3) The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

### **12 Committees**

- (1) Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.
- (2) The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## DECISION-MAKING BY DIRECTORS

### **13 Directors to take decisions collectively**

- (1) Any decision which the Directors take:
  - (a) must be either a unanimous decision or a majority decision; and
  - (b) may, but need not, be taken at a meeting of Directors.
- (2) All decisions, however reached, must be recorded in the minute book.

### **14 Single Director**

If at any time the Company should have only one Director, the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making.

### **15 Unanimous decisions**

- (1) The Directors take a unanimous decision when they all indicate to each other that they share a common view on a matter.
- (2) A unanimous decision need not involve any discussion between Directors.

### **16 Majority decisions**

- (1) The Directors take a majority decision if:
  - (a) every Director has been made aware of a matter to be decided by the Directors;
  - (b) all the Directors who indicate that they wish to discuss or vote on the matter have had a reasonable opportunity to communicate their views on it to each other; and
  - (c) a majority of those Directors vote in favour of a particular conclusion on that matter.
- (2) Paragraph (1)(a) above does not require communication with any Director with whom it is not practicable to communicate, having regard to the urgency and importance of the matter to be decided.
- (3) Directors participating in the taking of a majority decision otherwise than at a meeting of Directors:
  - (a) may be in different places, and may participate at different times; and
  - (b) may communicate with each other by any means.

### **17 Calling a Directors' meeting**

- (1) Any Director may call a Directors' meeting.
- (2) A Directors' meeting must be called by at least seven clear days' notice unless either
  - (a) all the Directors agree; or
  - (b) urgent circumstances require shorter notice.
- (3) Notice of Directors' meetings must be given to each Director.
- (4) Every notice calling a Directors' meeting must specify:
  - (a) the place, day and time of the meeting; and
  - (b) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (5) Notice of Directors' meetings need not be in writing.
- (6) Notice of Directors' meetings may be sent by electronic means to an address provided by the Director for the purpose.

## **18 Participation in Directors' meetings**

- (1) Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
  - (a) the meeting has been called and takes place in accordance with the Articles; and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- (3) If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **19 Quorum for Directors' meetings**

- (1) At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors and unless otherwise fixed it is two.

## **20 Chairing of Directors' meetings**

The Chair, if any, or in his or her absence another Director nominated by the Directors present shall preside as chair of each Directors' meeting.

## **21 Voting**

- (1) Questions arising at a Directors' meeting shall be decided by a majority of votes.
- (2) In all proceedings of Directors each director must not have more than one vote.
- (3) In case of an equality of votes, the Chair shall have not a second or casting vote and the resolution shall be considered as lost.

## **22 Conflicts of interest**

- (1) Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a conflict of interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already.
- (2) If any question arises as to whether a Director has a conflict of interest, the question shall be decided by a majority decision of the other Directors.
- (3) Whenever a matter is to be discussed at a meeting or otherwise decided in accordance with these Articles and a Director has a conflict of interest in respect of that matter then, subject to Article 23, he or she must:
  - (a) remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;
  - (b) not be counted in the quorum for that part of the meeting; and
  - (c) withdraw during the vote and have no vote on the matter.
- (4) When a Director has a conflict of interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Company by withholding confidential information from the Company if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her.

## **23 Directors' power to authorise a conflict of interest**

- (1) The Directors have power to authorise a Director to be in a position of conflict of interest provided:



- (a) in relation to the decision to authorise a conflict of interest, the conflicted Director must comply with Article 22;
  - (b) in authorising a conflict of interest, the Directors can decide the manner in which the conflict of interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a conflict of interest can participate in a vote on the matter and can be counted in the quorum; and
  - (c) the decision to authorise a conflict of interest can impose such terms as the Directors think fit and is subject always to their right to vary or terminate the authorisation.
- (2) A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 1(1) (subject to any limits or conditions to which such approval was subject).

#### **24 Register of Directors' interests**

The Directors shall cause a register of Directors' interests to be kept A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

#### **25 Methods of appointing Directors**

- (1) Those persons notified to the Registrar of Companies as the first Directors of the Company shall be the first Directors.
- (2) Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director.
  - (a) by ordinary resolution; or
  - (b) by a decision of the Directors.
- (3) In any case where, as a result of death, the Company has no shareholders and no Directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a Director.
- (4) For the purposes of Article 1(3), where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

#### **26 Termination of director's appointment**

A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006, or is prohibited from being a Director by law;
- (b) a bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (d) the Director resigns in writing.

#### **27 Directors' remuneration**

- (1) Directors may undertake any services for the Company that the Directors decide.
- (2) Subject to the Articles and in particular Article 3 Directors are entitled to such remuneration as the Directors determine:

- (a) for their services to the Company as Directors, and
  - (b) for any other service which they undertake for the Company.
- (3) Subject to the Articles and in particular Article 3, a Director's remuneration may:
- (a) take any form; and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- (4) Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

## **28 Directors' expenses**

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- (a) meetings of Directors or committees of Directors;
- (b) general meetings; or
- (c) separate meetings of the holders of any class of shares or of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

## **SHARES AND DIVIDENDS**

### **SHARES**

## **29 Share capital**

- (1) Subject to the Companies Act 2006 and these Articles, the company may issue ordinary shares and preference shares.
- (2) The ordinary shares and the preference shares shall, if issued, constitute a separate class of shares and shall, except where otherwise provided herein, confer upon the holders the same rights.

## **30 Income, capital, voting and winding up**

### **Income and capital**

- (1) From the preference participation date until the catch-up date, the preference shareholders shall be entitled to 100 per cent. of any distributions made by the Company to its shareholders (whether by way of dividends, share buy-back or otherwise).
- (2) From the catch-up date, the preference shareholders shall not be entitled to any dividend or other distribution.

### **Voting**

- (3) As regards voting in general meetings:
  - (a) each holder of an ordinary share shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company; and
  - (b) holders of preference shares shall not be entitled to receive notice of, and to attend and vote at, general meetings of the company.

## **31 Issuing of shares**

- (1) Shares in the Company may be issued to such individuals or institutions as the Directors think fit. Individuals and institutions holding shares in the Company shall be the members of the Company.

- (2) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- (3) This does not apply to shares taken on the formation of the Company by the subscribers to the Company's Memorandum.

### **32 Powers to issue different classes of share**

- (1) Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- (2) The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.
- (3) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

### **33 Company not bound by less than absolute interests**

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

### **34 Share certificates**

- (1) The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- (2) Every certificate must specify:
  - (a) in respect of how many shares, and of what class, it is issued;
  - (b) the nominal value of those shares;
  - (c) that the shares are fully paid; and
  - (d) any distinguishing numbers assigned to them.
- (3) No certificate may be issued in respect of shares of more than one class.
- (4) If more than one person holds a share, only one certificate may be issued in respect of it.
- (5) Certificates must be executed in accordance with the Companies Acts.

### **35 Replacement share certificates**

- (1) If a certificate issued in respect of a shareholder's shares is:
  - (a) damaged or defaced; or
  - (b) said to be lost, stolen or destroyed,that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.:
- (2) A shareholder exercising the right to be issued with such a replacement certificate:
  - (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
  - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

### **36 Share transfers**

- (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor.
- (2) No fee may be charged for registering any instrument of transfer or other Document relating to or affecting the title to any share.
- (3) The Company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of shareholders as holder of it.
- (5) The Directors may refuse to register the transfer of a share to a person of whom they do not approve.
- (6) They may also refuse to register the transfer unless it is lodged at the registered office of the Company or at such other place as the Directors may appoint and is accompanied by such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and by such other information, as they may reasonably require.
- (7) If the Directors refuse to register such a transfer, they shall, within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.
- (8) The provisions of this Article apply in addition to any restrictions on the transfer of a share which maybe set out elsewhere in the Memorandum or Articles of the Company.

### **37 Purchase of own shares**

Subject to the Articles, the Company may purchase its own shares (including any redeemable shares) and may make a payment in respect of the redemption or purchase of its own shares otherwise than out of the distributable profits of the Company or the proceeds of a fresh issue of shares Any share so purchased shall be purchased at its nominal value.

### **38 Transmission of shares**

- (1) If title to a share passes to a transmittee, the Company may only recognise the transmittee as having any title to that share.
- (2) A transmittee who produces such evidence of entitlement to shares as the Directors may properly require:
  - (a) may, subject to the Articles, choose either to become the holder of those shares or to have them transferred to another person; and
  - (b) subject to the Articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- (3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

### **39 Exercise of transmittees' rights**

- (1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the Company in writing of that wish.
- (2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- (3) Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

#### **40 Transmitters bound by prior notices**

If a notice is given to a shareholder in respect of shares and a transmitter is entitled to those shares, the transmitter is bound by the notice if it was given to the shareholder before the transmitter's name has been entered in the register of shareholders.

### **DIVIDENDS AND OTHER DISTRIBUTIONS**

#### **41 Procedure for declaring dividends**

- (1) Subject to the Companies Acts, the Regulations and the Articles, the Directors may decide to declare and pay such dividends to shareholders as:
  - (a) are permitted by the regulations for the time being in force governing dividend payments by community interest companies;
  - (b) appear to the Directors to be justified by the Company's profits;
  - (c) are in accordance with shareholders' respective rights; and
  - (d) are authorised by an ordinary resolution of the shareholders,and the Directors may, provided that such decision is authorised by an ordinary resolution of the shareholders, decide to pay interim dividends.
- (2) A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.
- (3) Unless the shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- (4) If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- (5) The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- (6) If the Directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

#### **42 Payment of dividends and other distributions**

- (1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
  - (a) transfer to a bank or building society account indicated by the distribution recipient either in writing or as the Directors may otherwise decide;
  - (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address indicated by the distribution recipient either in writing or as the Directors may otherwise decide;
  - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has indicated either in writing or as the Directors may otherwise decide; or
  - (d) any other means of payment as the Directors agree with the distribution recipient either in writing or by such other means as the Directors decide.
- (2) In the Articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
  - (a) the holder of the share; or

- (b) if the share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

**43 No interest on distributions**

The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- (a) the terms on which the share was issued; or
- (b) the provisions of another agreement between the holder of that share and the Company.

**44 Unclaimed distributions**

(1) All dividends or other sums which are:

- (a) payable in respect of shares; and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

(3) If:

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment; and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

**45 Waiver of distributions**

(1) Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if:

- (a) the share has more than one holder; or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

**CAPITALISATION OF PROFITS**

**46 Authority to capitalise and appropriation of capitalised sums**

(1) Subject to the Articles, the Directors may, if they are so authorised by an ordinary resolution:

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.

(2) Capitalised sums must be applied:

- (a) on behalf of the persons entitled; and
  - (b) in the same proportions as a dividend would have been distributed to them.
- (3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (5) Subject to the Articles the Directors may:
- (a) apply capitalised sums in accordance with Articles 1(3) and 1(4) partly in one way and partly in another;
  - (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments); and
  - (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article.

#### **DECISION-MAKING BY SHAREHOLDERS**

#### **ORGANISATION OF GENERAL MEETINGS**

#### **47 General meetings**

- (1) The Directors may call a general meeting at any time.
- (2) The Directors must call a general meeting if required to do so by the members under the Companies Acts.
- (3) General meetings must be held in accordance with the provisions regarding such meetings in the Companies Act.
- (4) A person who is not a shareholder of the Company shall not have any right to vote at a general meeting of the Company, but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures.
- (5) Article 1(4) shall not prevent a person who is a proxy for a member or a duly authorised representative of a member from voting at a general meeting of the Company.
- (6) Notice of general meetings must be given to every shareholder, to the Directors and to the auditors of the Company.
- (7) Directors may attend and speak at general meetings, whether or not they are shareholders.
- (8) Any organisation that is a shareholder may nominate any individual to act as its representative at any meeting of the Company. On a vote on a resolution at a meeting of the Company, the authorised representative has the same voting rights as the shareholder organisation would be entitled to if it was an individual shareholder present in person at the meeting.
- (9) On a vote to be taken by a show of hands, every shareholder present in person or by proxy (or, in the case of an organisation that is a shareholder, by its duly authorised representative) shall have one vote. On a poll, shareholders shall have one vote for each share which they hold.
- (10) Any person present and entitled to vote may demand a poll on any resolution to be decided by the meeting. Polls must be taken immediately and in such manner as the chair of the meeting directs.

## **WRITTEN RESOLUTIONS**

### **48 Written resolutions**

- (1) Any decision that may be made at a General Meeting of the Company may be made by written resolution, other than a decision to remove a Director or auditor before the expiry of their term of office.
- (2) A proposed written resolution shall be circulated to shareholders and to the auditors in the same manner as notices for General Meetings. Shareholders signify their approval of the resolution if they wish to vote for it, and need take no action if they wish to vote against.
- (3) The majorities required to pass a written resolution are as follow:
  - (a) for an ordinary resolution, approval is required from holders of a simple majority of the shares in the Company; and
  - (b) for a special resolution, approval is required from holders of at least 7596 of the total number of ordinary shares in the Company.
- (4) The document indicating a shareholder's approval of a written resolution may be sent to the Company as hard copy or in electronic form. A shareholder's agreement to a written resolution, once signified, may not be revoked.
- (5) A written resolution lapses if the necessary number of approvals has not been received 28 days after the first day on which copies of the resolution were circulated to shareholders.
- (6) A written resolution is passed as soon as the required majority of eligible shareholders have signified their agreement to it.

## **ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS**

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

Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way which the Companies Act 2006 provides for.

### **50 Irregularities**

The proceedings at any meeting or on the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not referred to in the notice unless a provision of the Companies Acts specifies that such informality, irregularity or want of qualification shall invalidate it.

### **51 Minutes**

- (1) The Directors must keep minutes of all:
  - (a) appointments of officers made by the Directors;
  - (b) proceedings at meetings of the Company;
  - (c) written resolutions passed by the Company;
  - (d) meetings of the Directors and committees of Directors including:
    - the names of the Directors present at the meeting;
    - the decisions made at the meetings; and
    - where appropriate, the reasons for the decisions.
- (2) Minutes of meetings shall be kept for a minimum of 10 years.



## **52 Records and accounts**

- (1) The Directors shall comply with the requirements of the Companies Acts as to maintaining a shareholders' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Regulator of:
  - (a) annual reports;
  - (b) annual returns; and
  - (c) annual statements of account.
- (2) Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder.

## **53 Social audit**

- (1) The Company shall conduct an annual social audit in addition to any financial audit that may be undertaken. A social audit shall seek to measure the social benefits and costs of the Company's activities, its effect on beneficiaries and the wider community, and other factors, such as environmental impact, as may be agreed by the Directors.
- (2) A social audit may be commissioned from an external reporter or it may be conducted by the Company itself.
- (3) The results of any social audit shall be circulated to all members and Directors, and may be made available to others at the discretion of the Directors.

## **54 Indemnity**

- (1) Subject to Article 1(2), a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:
  - (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
  - (b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006);
  - (c) any other liability incurred by that Director as an officer of the Company or an associated company.
- (2) This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this Article:
  - (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
  - (b) a "relevant Director" means any Director or former Director of the Company or an associated company.

## **55 Insurance**

- (1) The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.
- (2) In this Article:
  - (a) a "relevant Director" means any Director or former Director of the Company or an associated company;
  - (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation

to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

## **56 Exclusion of model articles**

The relevant model articles for a company limited by shares are hereby expressly excluded.

### **SCHEDULE**

#### **INTERPRETATIONS**

- (1) In the Articles, unless the context requires otherwise, the following terms shall have the following meanings:

<b>Term</b>	<b>Meaning</b>
<b>"address"</b>	includes a number or address used for the purposes of sending or receiving Documents by electronic means,
<b>"Articles"</b>	means the Company's articles of association,
<b>"asset-locked body"</b>	means (i) a community interest Company or a charity or a Permitted Industrial and Provident Society, or (ii) a body established outside the United Kingdom that is equivalent to any of those,
<b>"authorised representative"</b>	means any individual nominated by a shareholder organisation to act as its representative at any meeting of the Company in accordance with Article (8),
<b>"bankruptcy"</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,
<b>"catch-up amount"</b>	means £77,500,
<b>"catch-up date"</b>	means the date on which the total amount distributed to the preference shareholders equals the catch-up amount,
<b>"clear days"</b>	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,
<b>"community"</b>	is to be construed in accordance with the section 35(5) of the Companies (Audit, Investigations and Community Enterprise) Act 2004,
<b>"Companies Acts"</b>	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company,
<b>"Company"</b>	the community interest company to which these Articles apply,
<b>"conflict of interest"</b>	any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts or might conflict with the interests of the Company,

<b>"Director"</b>	means a director of the Company, and includes any person occupying the position of director, by whatever name called,
<b>"document"</b>	includes, unless otherwise indicated, any document sent or supplied in electronic form,
<b>"electronic form" and "electronic means"</b>	have the meanings respectively given to them in section 1168 of the Companies Act 2006,
<b>"fully paid"</b>	in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company,
<b>"holder"</b>	in relation to shares means the person whose name is entered in the register of shareholders as the holder of the shares,
<b>"instrument"</b>	means a document in hard copy form,
<b>"Memorandum"</b>	the Company's memorandum of association.
<b>"ordinary shareholders"</b>	means the holder of ordinary shares from time to time,
<b>"ordinary shares"</b>	means the ordinary shares of £0.01 in the capital of the company,
<b>"paid"</b>	means paid or credited as paid,
<b>"Permitted Industrial and Provident Society"</b>	means an industrial and provident society which has a restriction on the use of its assets in accordance with regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006,
<b>"preference participation date"</b>	means the date on which preference shares are issued to a preference shareholder,
<b>"preference shareholder"</b>	means the holder of preference shares from time to time,
<b>"preference shares"</b>	means the preference shares of £0.0001 each in the capital of the company,
<b>"the Regulator"</b>	means the Regulator of Community Interest Companies,
<b>"the Regulations"</b>	means the Community Interest Company Regulations 2005 (as amended);
<b>"Secretary"</b>	the secretary of the Company (if any);
<b>"shareholder"</b>	means a person who is the holder of a share.
<b>"shares"</b>	means shares in the Company,
<b>"subsidiary"</b>	has the meaning given in section 1159 of the Companies Act 2006,
<b>"transfer"</b>	includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property,

- "transmittee"** means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law, and
- "writing"** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.
- (2) Subject to clause (3) of this Schedule, any reference in the Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.
- (3) Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when the Articles become binding on the Company.