

Arthritis Action

Articles of Association

Adopted by a special resolution dated 13 June 2019

Company number 01914825

Charity number 292569

The Companies Acts 1985 to 2006

Company limited by guarantee and not having a share capital

Articles of Association

Adopted by a special resolution dated 13 June 2019

of

Arthritis Action

1 Name

The name of the company is Arthritis Action (the **Charity**).

2 Registered office

The registered office of the Charity is in England and Wales.

3 Objects

- 3.1 The object of the Charity (the Object) is to relieve and promote the relief of people with arthritis by:
- 3.1.1 helping and supporting them through the provision of the best available evidence-based approaches and techniques for managing arthritis;
 - 3.1.2 monitoring arthritis related developments and initiatives, and promoting efforts to gain a better understanding of arthritis and its impact on people's lives; and
 - 3.1.3 raising awareness of arthritis and disseminating evidence-based information about all matters relating to the condition.

4 Powers

The Charity has the power to do anything within the law which may promote or may help to promote the Objects or any of them including (but without limitation) the power:

- 4.1 To hold festivals, seminars, conferences, lectures, tours and courses.
- 4.2 To promote or carry out research and to disseminate such research.
- 4.3 To provide advice, treatment, treatment programmes and support.
- 4.4 To publish or distribute information in any form.
- 4.5 To co-operate with and to enter into joint ventures, collaborations and partnerships with charitable and non-charitable bodies.
- 4.6 To support, administer or set up charities and to act as trustee of any charitable funds, endowments or trusts.
- 4.7 To affiliate with and where appropriate merge with any charity having similar objects to the Objects.

- 4.8 To raise funds.
- 4.9 To borrow money, including entering into any derivative arrangement relating to that borrowing, provided that the derivative arrangement is an integral part of managing the Charity's debt and not a speculative venture.
- 4.10 To give security for loans, grants and other obligations over the assets of the Charity (but only in accordance with the restrictions imposed by the Charities Act 1993).
- 4.11 To acquire, rent or hire property of any kind.
- 4.12 To sell, let, licence, mortgage or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act 1993).
- 4.13 To make grants, awards, prizes or donations.
- 4.14 To make loans of money and give credit and to give guarantees or security for the performance of any obligations by any person or company.
- 4.15 To set aside funds for special purposes or as reserves against future expenditure, but only in accordance with a written policy on reserves.
- 4.16 To deposit or invest funds in any manner (but to invest only after taking such advice as the Council of Management consider is reasonably necessary from such person as is reasonably believed by Council to be qualified to give it by his ability in and practical experience of financial and other relevant matters).
- 4.17 To enter into any derivative arrangement in connection with any investment provided that the derivative arrangement is ancillary to the investment (being entered into in order to manage the risk and/or transaction costs associated with the investment) and is not a speculative venture.
- 4.18 To delegate the management of investments to any person provided that:
 - 4.18.1 the delegate is authorised to carry on investment business under the provisions of the Financial Services and Markets Act 2000;
 - 4.18.2 the investment policy is set out in writing by the Council of Management;
 - 4.18.3 the performance of the investments is reviewed regularly with the Council of Management;
 - 4.18.4 the investment policy and the delegation arrangements are reviewed at least once a year;
 - 4.18.5 all payments due to the delegate are on a scale or at a level which is agreed in advance and are notified promptly to the Council of Management on receipt by the delegate; and
 - 4.18.6 the delegate must not do anything outside the powers of the Council of Management.
- 4.19 To arrange for the investments or other property of the Charity to be held in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) under the control of the Council of Management or of any person to whom the management of investments is delegated and to pay any reasonable fee required.
- 4.20 To insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required.

- 4.21 To take out indemnity insurance to insure Members of Council against the costs of a successful defence to criminal proceedings brought against them as charity trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be in breach of trust or breach of duty, unless the Member of Council concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty.
- 4.22 Subject to Articles 13 and 14, to employ paid or unpaid agents, staff or advisers.
- 4.23 To enter into contracts to provide services to or on behalf of other bodies.
- 4.24 To establish, support or acquire subsidiary companies.
- 4.25 To open and operate bank accounts and banking facilities.
- 4.26 To solicit and accept grants, donations, endowments, gifts, legacies and bequests of assets on any terms.
- 4.27 To enter into any licence or sponsorship agreement.
- 4.28 To enter into any contract or agreement (including any finance lease).

5 Limited liability

- 5.1 The liability of the Members is limited.
- 5.2 Every Member promises, if the Charity is dissolved while he, she or it remains a Member or within 12 months afterwards, to contribute to the assets of the Charity such amount not exceeding £1 as may be required for:
 - 5.2.1 payment of the debts and liabilities of the Charity contracted before he, she or it ceases to be a Member;
 - 5.2.2 payment of the costs, charges and expenses of winding up; and
 - 5.2.3 adjustment of the rights of the contributories between themselves.

6 Membership

- 6.1 The number of Members with which the Charity is registered is unlimited.
- 6.2 The Charity must maintain a register of Members.
- 6.3 The Members of the Charity on the date of adoption of these Articles and such other persons as are admitted to membership by the Council of Management shall be the Members of the Charity.
- 6.4 The Council of Management may, in their absolute discretion, provide for different classes of Member or categories of Membership with different voting rights and other obligations.
- 6.5 Every Member shall either
 - 6.5.1 sign a written consent to become a Member; or
 - 6.5.2 sign the register of Members on becoming a Member.
- 6.6 The Council of Management shall have the right to terminate the Membership of any Member if they consider that such Member's continued Membership is not in the best interests of the Charity, provided always that the Member shall be heard before a final decision is made.

- 6.7 Notwithstanding Article 6.6, Membership is terminated if the Member concerned:
- 6.7.1 gives written notice of resignation to the Charity; or
 - 6.7.2 dies; or
 - 6.7.3 makes an arrangement or composition with his or her creditors; or
 - 6.7.4 fails to pay any subscription or other sum within three months of it falling due.
- 6.8 Membership of the Charity is not transferable.
- 6.9 The Council of Management may admit such persons as they see fit as associate members in accordance with any criteria or rules set out by the Council of Management from time to time, provided that associate members shall not be members of the Charity for the purposes of the Act and accordingly such membership shall not bestow upon any associate member the right to attend or vote on any matter at any general meeting of the Charity.

7 General meetings

- 7.1 The Charity shall hold a general meeting in every calendar year as its Annual General Meeting as such time and place as may be fixed by the Charity and the notices calling it shall say that it is the Annual General Meeting.
- 7.2 An Extraordinary General Meeting is a general meeting that is not an Annual General Meeting.
- 7.3 Extraordinary General Meetings may be called at any time by the Council of Management and must be called in accordance with the terms of the Act within 21 days of a written request from the Members made in accordance with the provisions of the Act.
- 7.4 Members are entitled to attend general meetings either personally or by proxy.
- 7.5 General meetings are called on at least 14 clear days' written notice specifying the date, place and time of the meetings, whether an Extraordinary General Meeting or an Annual General Meetings and the general nature of the business to be discussed. If a special resolution is to be proposed, the notice shall include the proposed resolution and specify that it is to be proposed as a special resolution.
- 7.6 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 7.7 If a general meeting is called by shorter notice than that required by these articles, it will be treated as duly called if it is so agreed by a majority of the Members entitled to attend and vote who also represent 90% of the total voting rights of all the Members.

Quorum

- 7.8 There is a quorum at a general meeting if twenty five of the Members entitled to attend and vote at that meeting are present in person or through their authorised representatives or by proxy. If the Charity has fewer than 25 Members, those Members present in person or through their authorised representatives or by proxy shall constitute a quorum.
- 7.9 If within 15 minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting will be adjourned to such other day and at such time as the Council of Management may determine. If at such adjourned meeting a quorum is not present within

15 minutes from the time appointed for holding the meeting the Members present in person or through their authorised representatives or by proxy shall be a quorum.

Chair

- 7.10 The Chair or (if the Chair is unable or unwilling to do so) some other Council Member elected by those present shall preside as chair at a general meeting. The chair may, with the consent of a meeting at which a quorum is present, and shall if so directed by the meeting, adjourn any meeting from time to time and from place to place as the chair shall determine.

Voting

- 7.11 A resolution put to the vote of a meeting will be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by:
- 7.11.1 the chair; or
 - 7.11.2 a Member or Members representing at least one tenth of the total voting rights of all of the Members having the right to vote at the meeting present in person or through their authorised representative or proxies.
- 7.12 Unless a poll is duly demanded a declaration by the chair that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 7.13 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chair and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 7.14 A poll shall be taken as the chair directs. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 7.15 A poll demanded on the election of a chair or on a question of adjournment will be taken forthwith. A poll demanded on any other question will be taken either forthwith or at such time and place as the chair directs not being more than 30 days after the poll is demanded. The demand for a poll will not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting will continue as if the demand had never been made.
- 7.16 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 7.17 Except for the chair of the meeting, who in the event of an equality of votes has a second or casting vote, on a show of hands or a poll every Member present in person or through its authorised representative or by proxy shall have one vote.
- 7.18 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any such objection must be referred to the chair of the meeting whose decision is final.

Proxy notices

- 7.19 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:

- 7.19.1 states the name and address of the Member appointing the proxy;
- 7.19.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
- 7.19.3 is signed by or on behalf of the Member appointing the proxy or is authenticated in such manner as the directors may determine; and
- 7.19.4 is delivered to the Charity in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.
- 7.20 The Charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 7.21 Proxy notices may specify how the proxy appointed under them is to vote (or that proxy is to abstain from voting) on one or more resolutions.
- 7.22 Unless a proxy notice indicates otherwise, it must be treated as:
- 7.22.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- 7.22.2 by appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates, as well as to the meeting itself.
- 7.23 A person who is entitled to speak, attend or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Charity by or on behalf of that person.
- 7.24 An appointment under a proxy notice may be revoked by delivering to the Charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 7.25 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 7.26 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

Written resolutions

- 7.27 A written resolution passed in accordance with the Act is as valid as a resolution actually passed at a general meeting (and for this purpose the written resolution may be set out in more than one document). A written resolution passed under this Article will lapse if not passed before the end of six calendar months beginning with the circulation date (as defined in section 290 of the Companies Act 2006).

Authorised representatives

- 7.28 Any person other than an individual who is a Member of the Charity may by resolution of its directors, trustees or other governing body authorise such person as it thinks fit to act as its authorised representative at any meeting of the Charity and the person so authorised shall be entitled to exercise the same powers on behalf of the person which he represents as that person would exercise if it were an individual Member of the Charity.

8 Council Members

- 8.1 The Council Members are the charity trustees of the Charity and have control of the Charity and its property and funds.
- 8.2 The Council of Management shall be composed of no fewer than seven and no more than fifteen Council Members.
- 8.3 From the adoption of these Articles, the existing Council Members shall continue to hold office on their existing terms.
- 8.4 Council Members shall be appointed to the Council of Management by resolution of the Members at the Annual General Meeting but, in order to stand for election must be proposed and seconded by existing Council Members. The Council Members may from time to time at their discretion determine any criteria for appointment as a Council Member.
- 8.5 The Council of Management shall have power at any time, and from time to time, to appoint any person to be a Council Member, either to fill a casual vacancy or as an addition to the existing Council Members, but so that the total number of Council Members shall not at any time exceed the number fixed in accordance with these Articles. Any Council Member so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election¹.
- 8.6 Every Council Member shall sign a written consent to become a Council Member.
- 8.7 Subject to Articles 8.3 and 8.5, the normal term of office for Council Members shall be three years. A Council Member shall be eligible for re-election².
- 8.8 Every Council Member will hold office until he or she vacates office in accordance with Article 8.9.
- 8.9 A Council Members' term of office automatically terminates if he or she:
- 8.9.1 is disqualified under the Charities Act 1993 from acting as a charity trustee;
 - 8.9.2 is incapable, whether mentally or physically, of managing his or her own affairs;
 - 8.9.3 is absent from two consecutive meetings of the Council of Management without the consent of the Council of Management and the Council of Management resolve that his office be vacated;
 - 8.9.4 is removed as a Council Member by the Members pursuant to the Act;
 - 8.9.5 resigns by written notice to the Council of Management (but only if at least seven Council Members will remain in office);
 - 8.9.6 becomes bankrupt, has an interim receiving order made against him or her, makes any arrangement or compounds with his or her creditors generally or applies to the Court for an interim order in respect of a voluntary arrangement;

¹ Added by special resolution passed on 3 July 2012

² Amended by special resolution passed on 3 July 2012

- 8.9.7 is convicted of an offence and the Council of Management resolve that it is undesirable in the interests of the Charity that he or she remains a Council Member of the Charity; or
- 8.9.8 is removed by unanimous resolution of the other Council Members following a fair process to be determined by Council from time to time.
- 8.10 A technical defect in the appointment of a Council Members of which Council Members are unaware at the time does not invalidate decisions taken at a meeting of the Council of Management.

9 Proceedings of the Council of Management

- 9.1 The Council of Management must hold at least three meetings each year. Any Council Member may call a meeting of the Council of Management by giving notice of the meeting to a Member of Council or by authorising the Secretary (if any) to give such notice provided that:
- 9.1.1 such notice must indicate the proposed date, time, and location of the meeting and, if it is anticipated that Council Members participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other;
- 9.1.2 such notice must be given to each Council Member, but need not be in writing; and
- 9.1.3 such notice need not be given to Council Members who waive their entitlement to notice of that meeting by giving notice to that effect to the Charity not more than 7 days after the date on which the meeting is held (and where such notice is given after the meeting has been held, that does not effect the validity of the meeting, or any business conducted at it).
- 9.2 The quorum necessary at a meeting of the Council of Management shall be determined by the Council of Management and unless and until otherwise determined shall be four. If the number of Council Members for the time being is less than the minimum number of Council Members required and/or the quorum required, Council Members must not take any decision other than a decision to:
- 9.2.1 appoint additional Council Members under Article 8.5; or
- 9.2.2 call a general meeting to enable the Members to appoint further Council Members³.
- 9.3 A meeting of the Council of Management may be held either in person or by suitable electronic means agreed by Members of Council in which all Members of Council may communicate with all other Members of Council. If all of Members of Council are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 9.4 The Chair or (if the Chair is unable or unwilling to do so) some other Council Member chosen by the Council Members present will preside as chair at each meeting.
- 9.5 Every decision of the Council of Management shall be by a simple majority of the votes cast at a meeting but a written resolution signed (or agreed in writing) by all of the Council Members who would have been entitled to vote on the matter had it been proposed as a resolution at a Council of Management meeting and would have formed a quorum at such a

³ Amended by special resolution passed on 3 July 2012

meeting is as valid as a resolution passed at a meeting (and for this purpose the resolution or agreement in writing may be contained in more than one document).

- 9.6 Every Council Member has one vote on each issue, except for the chair of the meeting, who in the event of an equality of votes has a second or casting vote (unless the chair of the meeting is in accordance with these articles not to be counted as participating in the decision making process or quorum for voting purposes).
- 9.7 A procedural defect of which the Council Members are unaware at the time does not invalidate decisions taken at a meeting.

10 Powers of Council Members

- 10.1 The Council Members have the following powers in the administration of the Charity:
- 10.1.1 at their absolute discretion, to appoint (and remove) any person or corporate entity (who may also be a Council Member) to act as Secretary to the Charity in accordance with the Act;
 - 10.1.2 to appoint a Chair from among their number
 - 10.1.3 to appoint a President, Vice President, Treasurer, Patron and other honorary offices;
 - 10.1.4 to make standing orders consistent with these Articles and the Act to govern proceedings at general meetings;
 - 10.1.5 to make rules consistent with these Articles and the Act to govern proceedings at their meetings and at meetings of committees;
 - 10.1.6 to make regulations consistent with these Articles and the Act to govern the administration of the Charity; and
 - 10.1.7 to exercise any powers of the Charity which are not reserved to a general meeting.

11 Delegation

- 11.1 Subject to these Articles, the Council of Management may delegate any of the powers conferred on it by these Articles to such person, by such means, to such extent, in relation to such matters and on such terms or reference as Council Members think fit and, if the Council of Management so specifies, any such delegation may authorise future delegation of the Council of Management's powers by any person to whom they are delegated.
- 11.2 The Council of Management may also delegate to any committee consisting of two or more individuals appointed by the Council of Management any of its functions (including any powers or discretions) for such time and on such terms of reference as it thinks fit (including any requirement that a resolution of the committee shall not be effective unless a majority of those present when it is passed are Council Members or it is ratified by the Council of Management) provided that:
- 11.2.1 all proceedings of every committee must be reported promptly to the Council of Management; and
 - 11.2.2 every committee must act in accordance with the terms of reference on which any function is delegated to it (but, subject to that, the proceedings of the committee will be governed by such of these Articles as regulate the proceedings of the Council of Management so far as they are capable of applying).

- 11.3 The Council of Management may at any time revoke any delegation in whole or in part or alter its terms.

12 Advisory Board

- 12.1 The Council of Management may establish an advisory board comprising individuals who, in the opinion of the Council of Management, have relevant experience in dealing with issues affecting the Charity. An advisory board shall have none of the rights or powers exercisable by a committee of the Council of Management other than a power to advise the Council of Management on any matters which have been referred to it by the Council of Management. The members of an advisory board shall not, unless they are also Council Members, have the duties and responsibilities of company directors or charity trustees. Subject to any terms and conditions expressly imposed by the Council of Management, the proceedings of any advisory boards shall be governed by such of these Articles as regulate the proceedings of the Council of Management so far as they are capable of applying.

13 Benefits to Members

- 13.1 The income and property of the Charity must only be applied to promote the Objects and no part of that income or property may be paid, transferred or applied by way of Benefit to any Member but:
- 13.1.1 a Member who is not also a Council Member may be employed by or enter into contracts with the Charity and receive reasonable payment for goods or services supplied;
 - 13.1.2 a Member (including a Member who is also a Council Member) may be paid interest at a reasonable rate on money lent to the Charity;
 - 13.1.3 a Member (including a Member who is also a Council Member) may be paid a reasonable rent or hiring fee for property let or hired to the Charity;
 - 13.1.4 a Member (including a Member who is also a Council Member) may receive any Benefit in their capacity as a beneficiary of the Charity; and
 - 13.1.5 another charity of which a Member (including a Member who is also a Council Member) is a charity trustee or member may receive any Benefit which is in furtherance of the Objects and does not confer any Benefit on the Member.
- 13.2 In this Article, references to a Member or Council Member include references to any person who is Connected to that Member or Council Member.

14 Benefits to Council Members

- 14.1 The income and property of the Charity must only be applied to promote the Objects and no part of that income or property may be paid, transferred or applied by way of Benefit to any Council Member except:
- 14.1.1 reasonable and proper premiums in respect of indemnity insurance provided in accordance with these Articles;
 - 14.1.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) properly incurred in the management and administration of the Charity;
 - 14.1.3 an indemnity in accordance with these Articles;
 - 14.1.4 payment to any company in which a Council Member has no more than a 2% shareholding; and

14.1.5 other payments or benefits permitted by law or with the prior consent of the Commission;

provided that the Council Members must comply with the provisions of Articles 15, 16 and 17 (declaration of Interests and authorisation of Conflicts of Interest) in relation to any Benefit provided by the Charity to any Council Member pursuant to this Article.

14.2 The income and property of the Charity must only be applied to promote the Objects and no part of that income or property may be paid, transferred or applied by way of Benefit to any Council Member except:

14.2.1 interest at a reasonable rate on money lent to the Charity;

14.2.2 a reasonable rent or hiring fee for property let or hired to the Charity;

14.2.3 any Benefit provided to a Council Member in his or her capacity as a beneficiary of the Charity (which for the avoidance of doubt shall include grants for the purchase of preparations, physical therapy and other treatments available to the Charity's beneficiaries from time to time in accordance with the Charity's usual procedures);

14.2.4 any Benefit which is in furtherance of the Objects to another charity of which a Council Member is a charity trustee or member and which does not confer any Benefit on that Council Member; and

14.2.5 in respect of the provision of goods or services in accordance with Article 14.3;

provided that the Council Member must comply with the provisions of Articles 15, 16 and 17 (declaration of Interests and authorisation of Conflicts of Interest) in relation to any Benefit provided by the Charity to any Council Member pursuant to this Article.

14.3 Any Council Member may enter into a written contract with the Charity to supply goods or services to the Charity in return for a Benefit but only if:

14.3.1 the goods or services are actually required by the Charity;

14.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services supplied;

14.3.3 the Council Member has declared his or her Interest in accordance with Article 15 and the Council Members have complied with the procedure in Article 17.3;

14.3.4 no more than half of the Council Members are subject to or affected by such a contract in any financial year (and this provision will apply to a Council Member if this Article 14.3 applies to a person who is Connected to that Council Member); and

14.3.5 the services supplied are not services supplied by the Council Member in his capacity as a Council Member ; and

14.3.6 the services supplied are not services supplied by the Council Member under a contract of employment;

provided that the Council Member must comply with the provisions of Articles 15, 16 and 17 (declaration of Interests and authorisation of Conflicts of Interest) in relation to any Benefit provided by the Charity to any Council Member pursuant to this Article.

14.4 A Council Member or Member shall not receive a Benefit from any Subsidiary Company except in accordance with Article 13 for a Member or Articles 14.1 and 14.2 for a Council Member (all of which apply as if references to the Charity were references to the Subsidiary

Company and references to the Articles were to the articles of association of the Subsidiary Company).

14.5 In this Article, references to a Member or Council Member include references to any person who is Connected to that Member or Council Member.

14.6 This Article may not be amended without prior written consent of the Commission.

15 Declaration of interests

15.1 Every Council Member has a duty to declare to the Council of Management the nature and extent of any Interest which he or she (or any Connected Person) has in any proposed or existing transaction or arrangement with the Charity or any situation or matter in relation to the Charity that is, or possibly may be, a Conflict of Interest.

15.2 In the case of any proposed transaction or arrangement with the Charity in which a Council Member (or any Connected Person) is Interested, he or she must declare the nature and extent of the Interest to the Council of Management before the Charity enters into the transaction or arrangement.

15.3 In the case of any existing transaction or arrangement that has been entered into by the Charity or any situation or matter in relation to the Charity in which a Council Member (or any Connected Person) is Interested, he or she must declare the nature and extent of the Interest to Council Members as soon as is reasonably practicable.

15.4 Any declaration must be made in accordance with the provisions of the Act:

15.4.1 at a meeting of the Council of Management; or

15.4.2 by notice in writing to Council Members; or

15.4.3 by general notice to Council Members.

15.5 A Council Member is not required to declare an Interest:

15.5.1 where the Council Member is not aware of the Interest (but the Council Member is treated as being aware of matters of which he ought reasonably to be aware); or

15.5.2 where the Council Member is not aware of the transaction or arrangement or situation or matter (but the Council Member is treated as being aware of matters of which he ought reasonably to be aware); or

15.5.3 if, or to the extent that, the other Council Members are already aware of the Interest (or ought reasonably to be aware of the Interest).

15.6 The Charity will maintain a register of all of the Interests declared by Council Members in accordance with this Article. The Council of Management may prepare (and from time to time review) a policy in relation to the declaration and management of Conflicts of Interest.

16 Conflicts of interest

16.1 Subject to Articles 16.2 and 17, a Council Member has a duty under the Act to avoid a situation or matter (including a transaction or arrangement with the Charity) in which he has, or can have, a Conflict of Interest. This duty applies to the exploitation of any property, information or opportunity (and it is immaterial whether the Charity could take advantage of the property, information or opportunity).

- 16.2 Pursuant to section 181(3) of the Companies Act 2006, the duty referred to in Article 16.1 does not apply to a Conflict of Interest arising in relation to any situation or matter or any transaction or arrangement between the Charity and any Council Member which is mentioned in Article 14.1 of these Articles.

17 Authorisation of conflicts of interest

- 17.1 Council Members may authorise a transaction or arrangement or situation or matter in which a Council Member (or any person Connected to that Council Member) has, or may have, a Conflict of Interest provided that:
- 17.1.1 the Conflict of Interest will not confer a Benefit on the Council Member or any Connected Person at the expense of the Charity to an extent greater than that permitted by Article 14 of these Articles;
 - 17.1.2 the Council Members act in what they consider to be the best interests of the Charity; and
 - 17.1.3 the Council Members comply with the procedures set out in this Article 17.
- 17.2 Whenever the Council of Management must decide whether to give the authorisation in accordance with Article 17.1 the Council Member concerned must:
- 17.2.1 declare the nature and extent of his or her Interest at the beginning of any meeting at which the authorisation is to be discussed (or, at the latest, before such discussion begins);
 - 17.2.2 withdraw from that part of the meeting at which the authorisation is to be discussed unless expressly invited to remain in order to provide information;
 - 17.2.3 not be counted in the quorum for that part of the meeting during which the authorisation is discussed;
 - 17.2.4 withdraw during the vote and have no vote on the authorisation for that part of the meeting; and
 - 17.2.5 not sign any written resolution in relation to the authorisation (except where required to do so to confirm a resolution of the other Council Members).
- 17.3 Any authorisation in accordance with Article 17.1 in relation to any transaction or arrangement or situation or matter in which a Council Member (or any person Connected to that Council Member) has, or may have, a Conflict of Interest and which will or may confer a Benefit on that Council Member(or Connected Person), the Council of Management must provide that the Council Member concerned will:
- 17.3.1 declare the nature and extent of his or her Interest at the beginning of any meeting at which the relevant transaction or arrangement or situation or matter is to be discussed (or, at the latest, before such discussion begins);
 - 17.3.2 withdraw from that part of any meeting at which the relevant transaction or arrangement or situation or matter is to be discussed unless expressly invited to remain in order to provide information;
 - 17.3.3 not be counted in the quorum for that part of any meeting during which the relevant transaction or arrangement or situation or matter is discussed;
 - 17.3.4 withdraw during the vote and have no vote on the relevant transaction or arrangement or situation or matter at the relevant part of any meeting; and

- 17.3.5 not sign any written resolution in relation to the relevant transaction or arrangement or situation or matter (except where required to do so to confirm a resolution of the other Council Members).
- 17.4 In giving the authorisation under Article 17.1 in relation to a transaction or arrangement or situation or matter in which a Council Member (or any person Connected to a Council Member) has, or may have, a Conflict of Interest which will not confer a Benefit on that Council Member (or Connected Person), the Council of Management may (subject to such terms as they may impose from time to time and to their right to vary or terminate such authorisation) determine the manner in which they may be dealt with and, in doing so, the Council of Management must consider:
- 17.4.1 whether the nature and extent of the interest in the relevant transaction or arrangement or situation or matter is reasonably likely to give rise to a Conflict of Interest;
- 17.4.2 whether or not the Council Member should withdraw from that part of any meeting at which the relevant transaction or arrangement or situation or matter is to be discussed unless expressly invited to remain in order to provide information;
- 17.4.3 whether or not the Council Member should be counted in the quorum for that part of any meeting during which the relevant transaction or arrangement or situation or matter is discussed; and
- 17.4.4 whether or not the Council Member should withdraw during the vote and have no vote on the relevant transaction or arrangement or situation or matter at the relevant part of any meeting.

18 Records and accounts

- 18.1 The Council of Management must comply with the requirements of the Act and of the Charities Act 1993 as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the Commission of:
- 18.1.1 annual reports;
- 18.1.2 annual returns; and
- 18.1.3 annual statements of account.
- 18.2 The Council of Management must keep proper records of:
- 18.2.1 all proceedings at general meetings;
- 18.2.2 all proceedings at meetings of the Council of Management (including a record of all unanimous or majority decisions taken by the Council of Management for at least 10 years from the date of the decision recorded);
- 18.2.3 all reports of committees; and
- 18.2.4 all professional advice obtained.
- 18.3 Accounting records relating to the Charity must be made available for inspection by any Council Member at any reasonable time during normal office hours.
- 18.4 A copy of the Charity's latest available statement of account must be supplied on request to any Council Member or Member, or to any other person who makes a written request and pays the Charity's reasonable costs, within two months of such request.

19 Notices

- 19.1 Notices, documents, resolutions or information under these Articles may be sent or supplied to Council Members by hand, or by post or by suitable electronic means.
- 19.2 The Charity may deliver a notice or other document to a Member by:
- 19.2.1 delivering it personally to the Member;
 - 19.2.2 post or hand delivery to the Member's address shown in the register of Members;
 - 19.2.3 electronic mail to an address notified by the Member in writing; or
 - 19.2.4 by means of a website in accordance with Articles 19.3 and 19.4.
- 19.3 Notices, resolutions, documents or information may be sent or supplied to Members by means of a website provided that a Member has consented to receive notices, resolutions, documents or information in that way. A Member will be deemed to have agreed to receive notices, resolutions, documents and information in this way where they have been asked individually by the Charity to agree to receive notices, resolutions, documents and information through a website and the Charity has not received a response within the period of 28 days beginning with the date on which the Charity's request was sent. A Member is not taken to have so agreed if the Charity's request did not state clearly what the effect of a failure to respond would be, or was sent less than 12 months after a previous request was made.
- 19.4 Where any notice, resolution, document or other information is to be sent or supplied by means of a website, a Member shall be notified in accordance with Articles 19.2.1, 19.2.2 or 19.2.3 of:
- 19.4.1 its presence on the website;
 - 19.4.2 the address of the website;
 - 19.4.3 the place on the website where it may be accessed; and
 - 19.4.4 how to access it.
- 19.5 Any notice, resolution, document or other information sent or supplied by means of a website shall be deemed to have been received by the Member when the notice, resolution, document or other information is first made available on the website or, if later, when the Member is deemed to have received the notification given under Article 19.4 in accordance with the relevant provisions of 19.6.
- 19.6 Subject to Article 19.5, any notice given in accordance with these Articles is to be treated for all purposes as having been received:
- 19.6.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;
 - 19.6.2 two clear days after being sent by first class post to that address;
 - 19.6.3 three clear days after being sent by second class or overseas post to that address;
 - 19.6.4 on being handed to the Member (or, in the case of a member organisation, its authorised representative) personally; or, if earlier
 - 19.6.5 as soon as the Member acknowledges actual receipt.

- 19.7 A technical defect in the giving of notice of a meeting of which the Council Members are unaware at the time does not invalidate decisions taken at that meeting.

20 Indemnity

The Charity may indemnify any Council Member against any liability incurred by him or her in that capacity, to the extent permitted by the Act.

21 Dissolution

- 21.1 If upon the winding up or dissolution of the Charity there remains after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the members of the Charity, but shall be given or transferred to some other charitable institution or institutions, having objects similar to the objects of the Charity, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Charity under or by virtue of clauses 13 and 14 hereof, such institution or institutions to be determined by the members of the Charity at or before the time of dissolution, and is and so far as effect cannot be given to such provision then to some other charitable object.

22 Model Articles

The model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall not apply to the Charity.

23 Interpretation

- 23.1 In these Articles:

the Act: means the Companies Act 2006 and any provisions of the Companies Act 1985 for the time being in force

these Articles: means these articles of association

authorised representative: means an individual who is authorised in writing by a member organisation to act on its behalf at meetings of the Charity and whose name is given to the Secretary

Benefit: means any payment of money or the provision or other application of any other direct or indirect benefit in money or money's worth

Chair: means the chair of the Council of Management appointed in accordance with Article 10.1.2

the Charity: means the company governed by these Articles

charity trustee: has the meaning prescribed by section 97(1) of the Charities Act 1993

clear day: means 24 hours from midnight following the relevant event

the Commission: means the Charity Commission for England and Wales

Conflict of Interest: means any Interest of a Council Member (or any person Connected to a Council Member) that conflicts, or may conflict, with the interests of the Charity and includes a conflict of interest and duty and a conflict of duties

Connected Person: means any person falling within one of the following categories:

- (a) any spouse or civil partner of a Council Member or a Member;
- (b) any parent, child, brother, sister, grandparent or grandchild of a Council Member or Member who is financially dependent on such Council Member or Member or on whom the Council Member or Member is financially dependent;
- (c) the spouse or civil partner of any person in (b);
- (d) any other person in a relationship with a Council Member or Member which may reasonably be regarded as equivalent to that of a spouse or civil partner; or
- (e) any company, LLP or partnership of which a Council Member or Member is a paid director, member, partner or employee or a holder of more than 2% of the share capital or capital; and

any person who is a Connected Person in relation to any Council Member or Member is referred to in these Articles as **Connected** to that Council Member or Member.

Council of Management: means the board of trustees of the Charity

Interest: means any direct or indirect interest (and includes any interest a Council Member or any person Connected to a Council Member may have as a consequence of any duty he or she may owe to any other person) and where a Council Member (or any person Connected to a Council Member) has any such interest in any matter or situation or transaction or arrangement the Council Member is **Interested** in it

Member and **Membership** refer to the members of the Charity for the purposes of, and as defined by, the Act and their membership of the Charity

Memorandum: means the Charity's memorandum of association

month: means calendar month

Secretary: means the secretary of the Charity

Subsidiary Company: means any company in which the Charity holds:

- (a) more than 50% of the shares; or
- (b) more than 50% of the voting rights attached to the shares; or
- (c) the right to appoint one or more of the directors

Council Member: means each of the directors and charity trustees of the Charity under the Act (and **Council Member** means all of the directors)

written or **in writing** refers to a legible document on paper including a printed e-mail or a fax message

year: means calendar year.

23.2 Expressions defined in the Act have the same meaning.

23.3 References to an Act of Parliament are to the relevant Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

