

people2people Shropshire Community Interest Company

THE COMPANIES ACT 2006
COMPANY HAVING A SHARE CAPITAL

Articles of Association

of

people2people Shropshire
Community Interest Company

as amended by special resolution on the ____ day of _____ 2016

THE COMPANIES ACT 2006

Community Interest Company Limited by Shares

ARTICLES OF ASSOCIATION OF
people2people Shropshire Community Interest Company

INDEX TO THE ARTICLES

INTERPRETATION AND EXCLUSION	
Interpretation	Article 1
Exclusion of Model Articles	2
COMMUNITY INTERST COMPANY STATUS AND ASSET LOCK	
Community Interest Company	3
Asset lock	4
Not-for-profit	5
OBJECTS, POWERS AND LIMITATION OF LIABILITY	
Objects	6
Powers	7
Liability of shareholders	8
DIRECTORS' POWERS AND RESPONSIBILITIES	
Directors' general authority	9
Shareholder(s)' reserve power	10
Composition and Chair of the Board of Directors	11
Delegation and committees	12
DECISION-MAKING BY DIRECTORS	
Scope of rules	13
Directors to take decisions collectively	14
Calling a Directors' meeting	15
Participation in Directors' meetings	16
Quorum for Directors' meetings	17
Chairing of Directors' meetings	18
Voting	19
Decisions without a meeting	20
Conflicts of interest	21
Directors' power to authorise a conflict of interest	22
Register of Directors' interests	23
APPOINTMENT AND RETIREMENT OF DIRECTORS	
Methods of appointing Directors	24
Termination of Director's appointment	25
Directors' remuneration	26
Directors' expenses	27

SHARES AND DISTRIBUTIONS	
Shares may be fully or partly paid up	28
Powers to issue different classes of share	29
Company not bound by less than absolute interests	30
Share certificates	31
Replacement share certificates	32
Share transfers	33
Purchase of own shares	34
Transmission of shares	35
Exercise of transmitters' rights	36
Transmitters bound by prior notices	37
DIVIDENDS AND OTHER DISTRIBUTIONS	
Procedure for declaring dividends	38
Payment of dividends and other distributions	39
No interest on distributions	40
Unclaimed distributions	41
Non-cash distributions	42
Waiver of distributions	43
CAPITALISATION OF PROFITS	44
DECISION-MAKING BY SHAREHOLDERS	
General meetings	45
Length of notice	46
Contents of notice	47
Service of notice	48
Attendance and speaking at general meetings	49
Quorum for general meetings	50
Chairing general meetings	51
Attendance and speaking by Directors and non-shareholders	52
Adjournment	53
VOTING AT GENERAL MEETINGS	
Voting: general	54
Poll votes	55
Errors and disputes	56
Content of Proxy Notices	57
Delivery of Proxy Notices	58
Amendments to resolutions	59
WRITTEN RESOLUTIONS	60
ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS	
Means of communication to be used	61
Irregularities	62
Minutes	63
Records and accounts	64
Equal opportunities	65
Indemnity and insurance	66

INTERPRETATION AND EXCLUSION

1. The interpretation of these Articles is governed by the provisions set out in the Schedule to the Articles.
2. The relevant model articles for a company limited by shares are hereby expressly excluded.

COMMUNITY INTEREST COMPANY STATUS AND ASSET LOCK

3. The Company shall be a community interest company.
4. Asset Lock
 - 4.1 The Company shall not transfer any of its assets other than for full consideration.
 - 4.2 Provided the conditions in Article 4.3 are satisfied, Article 4.1 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 members in respect of share capital not paid up on the reduction of share capital.
 - 4.3 The conditions are that the transfer of assets:
 - (a) 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.
 - 4.4 If the Company is wound up under the Insolvency Act 1986 and all its liabilities have been satisfied, then any remaining residual assets shall be given or transferred to any Asset Locked Body approved by the Regulator.
5. Not for profit

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

OBJECTS, POWERS AND LIMITATION OF LIABILITY

6. The objects of the Company are to carry on activities which benefit the community and in particular (without limitation):
 - 6.1 To promote and provide for the public benefit social work services that will improve the quality of life and develop the potential of each individual, and the communities in which they live;
 - 6.2 To promote and provide for the public benefit research, education, and other interventions into the pursuit of social welfare and social justice;
 - 6.3 To promote the involvement of users of the Company's services in the development and provision of its services and in other peer support arrangements;
 - 6.4 To promote and improve for the public benefit the economic and social well-being of people living and working in Shropshire, and any other areas where the Company operates.
7. Powers
To further its objects the Company may do all such lawful things as may further the Company's objects and, in particular, but, without limitation, may borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds.
8. Liability of Shareholders
The liability of the shareholders is limited to the amount, if any, unpaid on the shares held by them.

DIRECTORS' POWERS AND RESPONSIBILITIES

9. Directors' general authority
 - 9.1 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.
 - 9.2 The Directors shall convene an **Advisory Group** to help inform them of the current experience and expectations of people for whom the Company is for the time being providing services, and of people working for the Company in any capacity, including employees, secondees and volunteers.
10. Shareholder(s)' reserve power
 - 10.1 The shareholder(s) may, by special resolution, direct the Directors to take, or refrain from taking, specific action.
 - 10.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

11. Composition and Chair of the Board of Directors

11.1 The maximum number of Directors may be fixed from time to time by a decision of the Directors, but the minimum number of Directors must never be less than six.

11.2 The composition of the Board of Directors shall be as follows:

- (a) one person for whom the Company is for the time being providing services and who has been nominated by the Advisory Group;
- (b) one person working for the Company in any capacity, such as an employee, secondee or volunteer, and who has been nominated by the Advisory Group;
- (c) at least three Directors who have no financial interest in the Company;
- (d) one person appointed by the Board of Directors to the executive office of Managing Director, upon such terms and remuneration as the Directors determine.

11.3 For the avoidance of doubt, Directors appointed under Article 11.2(c) above shall not be shareholders, employees or regular suppliers of the Company, but are entitled to expenses as set out in Article 27, and to reasonable and proper remuneration for any occasional services they supply to the Company in addition to their service as directors.

11.4 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.

12. Delegation and committees

12.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions;

as they think fit.

12.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

12.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

12.4 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.

12.5 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. Scope of rules

13.1 References in the Articles to decisions of Directors are to decisions of Directors which are connected with their functions.

13.2 Except where the Articles expressly provide otherwise, provisions of the Articles about how the Directors take decisions do not apply:

- (a) when the Company only has one Director; or
- (b) to decisions delegated to a single Director.

14. Directors to take decisions collectively

Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 20.

15. Calling a Directors' meeting

15.1 Two Directors may (and the Secretary, if any, must at the request of two Directors) call a Directors' meeting.

15.2 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.

15.3 Papers to be discussed at Directors' meetings shall whenever possible be circulated at least seven Clear Days prior to such meetings to enable Directors to consider the papers and to receive assistance in reading and understanding the content and implications of the papers if necessary.

15.4 To assist Directors to participate fully in the business of Directors' meetings, the Company shall use its best endeavours to offer training on the role and responsibilities of company directors, if such training is requested by any Director.

15.5 Notice of Directors' meetings must be given to each Director.

15.6 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.

15.7 Notice of Directors' meetings need not be in Writing.

15.8 Notice of Directors' meetings may be sent by Electronic Means to an Address provided by the Director for the purpose.

16. Participation in Directors' meetings

16.1 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.
- 16.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 16.3 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.
- 17. Quorum for Directors' meetings
 - 17.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
 - 17.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two.
 - 17.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
 - (a) to appoint further Directors; or
 - (b) to call a general meeting so as to enable the shareholders to appoint further Directors.
- 18. 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.
- 19. Voting
 - 19.1 Questions arising at a Directors' meeting shall be decided by a majority of votes.
 - 19.2 In all proceedings of Directors each Director must not have more than one vote.
- 20. Decisions without a meeting
 - 20.1 The Directors may take a unanimous decision without a Directors' meeting by indicating to each other by any means, including without limitation by Electronic Means, that they share a common view on a matter. Such a decision may, but need not, take the form of a resolution in Writing, copies of which have been signed by each Director or to which each Director has otherwise indicated agreement in Writing.
 - 20.2 A decision which is made in accordance with Article 20.1 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:
 - (a) approval from each Director must be received by one person being either such person as all the Directors have nominated in advance for that purpose or such other person as volunteers if necessary ("the Recipient"), which person may, for the avoidance of doubt, be one of the Directors;
 - (b) following receipt of responses from all of the Directors, the Recipient must communicate to all of the Directors by any means whether the resolution has been formally approved by the Directors in accordance with this Article 20.2;

- (c) the date of the decision shall be the date of the communication from the Recipient confirming formal approval;
- (d) the Recipient must prepare a minute of the decision in accordance with Article 63.

21. Conflicts of interest

- 21.1 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.
- 21.2 If a Director stands to benefit as one of the class of beneficiaries of the Company, and to no greater extent than other beneficiaries of that class, no Conflict of Interest will be deemed to exist.
- 21.3 Whenever a matter is to be discussed at a meeting or decided in accordance with Article 20 and a Director has a Conflict of Interest in respect of that matter then, subject to Article 21.4, 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.
- 21.4 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.
- 21.5 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/her.

22. Directors' power to authorise a conflict of interest

- 22.1 The Directors have the 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 21.1;
 - (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;
 - (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.
- 22.2 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 22.1 then, even if he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed.

22.3 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 22.1 (subject to any limits or conditions to which such approval was subject).

23. 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

24. Methods of appointing Directors

24.1 Those person(s) notified to the Registrar of Companies as the first Directors of the Company shall be the first Directors.

24.2 Subject to Article 11, 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 by ordinary resolution.

24.3 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.

24.4 For the purposes of Article 24.3, where 2 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.

25. Termination of Director's appointment

25.1 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, or a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (c) the Directors reasonably believe he or she is suffering from long-term illness which renders him or her incapable of acting, and they resolve that he or she be removed from office;
- (d) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms (but only if at least two Directors will remain in office when such resignation has taken effect);
- (e) a contract under which that person is appointed as a Director of, or personally performs services for, the Company or any of its subsidiaries terminates, and the Directors decide that that person should cease to be a Director;

- (f) the Director fails to attend three consecutive meetings of the Directors and the Directors resolve that the Director be removed for this reason; or
- (g) at a general meeting of the Company, a resolution is passed that the Director be removed from office, provided the meeting has invited the views of the Director concerned and considered the matter in light of such views.

26. Directors' remuneration

- 26.1 Directors may undertake any services for the Company that the Directors decide.
- 26.2 Directors shall not be paid for their services to the Company as directors, but subject to the Articles and in particular Article 5, are entitled to reasonable and proper remuneration for any services they supply to the Company in addition to their service as directors, including reasonable and proper salary or wages for working as an employee of the Company in a capacity additional to their service as directors.
- 26.3 A director who is also an employee shall not vote on his or her own contract of employment and no question relating to terms and conditions of employment shall be decided at a meeting of the Directors where one half or more of those present are employees of the Company.
- 26.4 Subject to the Articles and in particular Article 5, 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.
- 26.5 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.
- 26.6 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.

27. Directors' expenses

- 27.1 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 DISTRIBUTIONS

28. Shares may be fully or partly paid up

Shares may be issued partly paid-up or fully paid-up in respect of the aggregate of their nominal value and any premium to be paid to the Company in consideration for their issue.

29. Powers to issue different classes of share

29.1 Voting shares may only be issued or transferred to local authorities or to employees of the Company, and only local authorities or employees of the Company can be made the holders of voting shares.

29.2 Subject to the Articles, and in particular Article 29.1, 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.

29.3 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.

30. 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.

31. Share certificates

31.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.

31.2 Every certificate must specify:

- (a) in respect of how many shares, 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.

31.3 No certificate may be issued in respect of shares of more than one class.

31.4 If more than one person holds a share, only one certificate may be issued in respect of it.

31.5 Certificates must:

- (a) have affixed to them the Company's common seal; or
- (b) be otherwise executed in accordance with the Companies Acts.

32. Replacement share certificates

32.1 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.

32.2 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.

33. Share transfers

33.1 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.

33.2 No fee may be charged for registering any instrument of transfer or other Document relating to or affecting the title to any share.

33.3 The Company may retain any instrument of transfer which is registered.

33.4 The transferor remains the holder of a share until the transferee's name is entered in the register of shareholders as holder of it.

33.5 The Directors may refuse to register the transfer of a share to a person of whom they do not approve, and in particular the Directors shall refuse to register the transfer of a voting share to a person who they decide at their absolute discretion is not a local authority or an employee of the Company.

33.6 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.

33.7 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.

33.8 If the holder of a voting share ceases to be an employee of the Company for whatever reason (including death) the Directors may at any time thereafter give notice to that member (which for this Article shall include that member's personal representative) requiring that the member transfer their voting shareholding in the Company within the succeeding period of twenty-eight days to such person or persons as the Directors shall nominate.

33.9 In the event of any share being transferred in accordance with Article 33.8 above the Directors shall instruct the Company's accountants (acting as experts and not as arbitrators) to value the share, and the holder of any share so transferred shall be entitled to receive the value of that share as the price for that share.

33.10 If a notice under Article 33.8 above shall not be complied with the Company may at any time thereafter by resolution authorise some person to transfer such shares to the person or persons to whom the shares are required to be transferred. The transferee of any share so transferred shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money, if any, nor shall that person's title to the share be affected by any irregularity or invalidity in the proceedings in reference to the disposal of the share. Any person whose share has been transferred in accordance with this Article shall forthwith deliver up to the Company the share certificate (if any) issued to them in respect of that share.

33.11 The provisions of this Article apply in addition to any restrictions on the transfer of a share which maybe set out elsewhere in the Articles of the Company.

34. 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.

35. Transmission of shares

35.1 If title to a share passes to a transferee, the Company may only recognise the transferee as having any title to that share.

35.2 A transferee who produces such evidence of entitlement to shares as the Directors may properly require:

(a) may, subject to the Articles, and in particular Article 29.1, 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.

35.3 But transferees 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.

36. Exercise of transferees' rights

36.1 Transferees who wish to become the holders of shares to which they have become entitled must notify the Company in Writing of that wish.

36.2 The Directors may refuse to register as the holder of a voting share a person who they decide at their absolute discretion does not qualify as an employee of the Company.

36.3 If the Directors refuse to register a person as the holder of a voting share, they may nominate another person to purchase the share or may authorise the Company to purchase the share at its nominal value in accordance with the Act.

36.4 If the transferee wishes to have a share transferred to another person, the transferee must execute an instrument of transfer in respect of it.

36.5 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.

37. Transmittees bound by prior notices

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

DIVIDENDS AND OTHER DISTRIBUTIONS

38. Procedure for declaring dividends

38.1 Subject to the Companies Acts, the Regulations and the Articles, the Company may by ordinary resolution declare dividends, and the Directors may, provided that such decision is authorised by an ordinary resolution of the shareholders, decide to pay interim dividends.

38.2 For the avoidance of doubt the payment of dividends shall be considered to be a transfer of assets other than for full consideration and shall not be permitted other than in the circumstances prescribed in Article 4.

38.3 A dividend must not be declared unless the Directors have made a recommendation as to its amount; and such a dividend must not exceed the amount recommended by the Directors.

38.4 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

38.5 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.

38.6 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.

38.7 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.

38.8 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.

39. Payment of dividends and other distributions

39.1 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; or
- (b) 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.

39.2 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.

40. 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.

41. Unclaimed distributions

41.1 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.

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

41.3 If twelve years have passed from the date on which a dividend or other sum became due for payment; and 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.

42. Non-cash distributions

42.1 Subject to the terms of issue of the share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

42.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

43. Waiver of distributions

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,
- (c) 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

44. Authority to capitalise and appropriation of capitalised sums

44.1 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 that are available for distribution and 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 employees of the Company or to other persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled").

44.2 Capitalised sums must be applied:

- (a) on behalf of the persons entitled; and
- (b) in the case of existing shareholders, in the same proportions as a dividend would have been distributed to them.

44.3 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.

44.4 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.

44.5 Subject to the Articles the Directors may:

- (a) apply capitalised sums in accordance with Articles 44.3 and 44.4 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

45. General meetings

- 45.1 The Directors may call a general meeting at any time, and must do so if more than 30 months have elapsed since the last general meeting or last appointment of a Director.
- 45.2 The Directors must call a general meeting if required to do so by the members under the Companies Acts.

46. Length of notice

All general meetings must be called by either:

- (a) at least 14 Clear Days' notice; or
- (b) shorter notice if it is so agreed by a majority of the shareholders having a right to attend and vote at that meeting. Any such majority must together represent at least 90% of the total voting rights at that meeting of all the shareholders.

47. Contents of notice

- 47.1 Every notice calling a general meeting must specify the place, day and time of the meeting, whether it is a general or an annual general meeting, and the general nature of the business to be transacted.
- 47.2 If a special resolution is to be proposed, the notice must include the proposed resolution and specify that it is proposed as a special resolution.
- 47.3 In every notice calling a meeting of the Company there must appear with reasonable prominence a statement informing the shareholder of his or her rights to appoint another person as his or her proxy at a general meeting.

48. Service of notice

Notice of general meetings must be given to every shareholder, to the Directors and to the auditors of the Company.

49. Attendance and speaking at general meetings

- 49.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 49.2 A person is able to exercise the right to vote at a general meeting when:
 - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 49.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 49.4 In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other.

- 49.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
50. Quorum for general meetings
- 50.1 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 50.2 If the Company has only one member, that member shall constitute a quorum for general meetings. If the Company has more than one member, the quorum for general meetings shall be two persons entitled to vote on the business to be transacted (each being a shareholder, a proxy for a shareholder or a duly authorised representative of a shareholder) or one tenth of the total voting shareholders (represented in person or by proxy) whichever is greater.
51. Chairing general meetings
- 51.1 If the Directors have appointed a Chair, the Chair shall chair general meetings if present and willing to do so.
- 51.2 If the Directors have not appointed a Chair, or if the Chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start the Directors present; or (if no Directors are present), the meeting, must appoint a Director or shareholder to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.
- 51.3 The person chairing a meeting in accordance with this Article is referred to as "the chair of the meeting".
52. Attendance and speaking by Directors and non-shareholders
- 52.1 Directors may attend and speak at general meetings, whether or not they are shareholders.
- 52.2 The chair of the meeting may permit other persons who are not:
- (a) shareholders of the Company; or
 - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings,
- to attend and speak at a general meeting.
53. Adjournment
- 53.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.
- 53.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment; or
 - (b) it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- 53.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 53.4 When adjourning a general meeting, the chair of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 53.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 Clear Days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- 53.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

54. Voting: general

- 54.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
- 54.2 A person who is not a voting shareholder shall not have any right to vote at a general meeting of the Company; but this is subject to Article 54.7 and without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures.
- 54.3 Article 54.2 shall not prevent a person who is a proxy for a shareholder or a duly Authorised Representative from voting at a general meeting of the Company.
- 54.4 On a vote on a resolution at a general meeting
- (a) on a show of hands every shareholder present in person (whether a shareholder, proxy or Authorised Representative of a shareholder) and entitled to vote shall have a maximum of one vote regardless of the number of shares they hold;
 - (b) on a poll every shareholder present in person (whether a shareholder, proxy or Authorised Representative of a shareholder) and entitled to vote shall have one vote for every voting share they hold.
- 54.5 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting shall not be entitled to a casting vote in addition to any other vote he or she may have, and the resolution shall be deemed to be lost.

- 54.6 A class resolution may be demanded by at least two holders of shares of that class; or the holder of shares representing not less than one tenth of the shares of that class, and if so demanded:
- (a) the Chair shall adjourn a general meeting to allow a class resolution to be put to the holders of that class of shares;
 - (b) a poll on a class resolution shall be held as the Chair directs;
 - (c) on a poll on a class resolution, the class shareholders shall have one vote for each share of the relevant class which they own; and
 - (d) in the case of an equality of votes the Chair shall have a casting vote.
- 54.7 No shareholder shall be entitled to vote at any general meeting unless all monies presently payable by him, her or it to the Company have been paid.
- 54.8 The following provisions apply to any organisation that is a shareholder ("a Shareholder Organisation"):
- (a) a Shareholder Organisation may nominate any individual to act as its representative ("an Authorised Representative") at any meeting of the Company;
 - (b) the Shareholder Organisation must give notice in Writing to the Company of the name of its Authorised Representative; the Authorised Representative will not be entitled to represent the Shareholder Organisation at any meeting of the Company unless such notice has been received by the Company; and the Authorised Representative may continue to represent the Shareholder Organisation until notice in Writing is received by the Company to the contrary;
 - (c) a Shareholder Organisation may appoint an Authorised Representative to represent it at a particular meeting of the Company or at all meetings of the Company until notice in Writing to the contrary is received by the Company;
 - (d) any notice in Writing received by the Company shall be conclusive evidence of the Authorised Representative's authority to represent the Shareholder Organisation or that his or her authority has been revoked; the Company shall not be required to consider whether the Authorised Representative has been properly appointed by the Shareholder Organisation;
 - (e) an individual appointed by a Shareholder Organisation to act as its Authorised Representative is entitled to exercise (on behalf of the Shareholder Organisation) the same powers as the Shareholder Organisation could exercise if it were an individual shareholder;
 - (f) 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; and
 - (g) the power to appoint an Authorised Representative under this Article 54 is without prejudice to any rights which the Shareholder Organisation has under the Companies Acts and the Articles to appoint a proxy or a corporate representative.

55. Poll votes (secret ballots)

55.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

55.2 A poll may be demanded by:

- (a) the chair of the meeting;
- (b) the Directors;
- (c) any person or persons holding more than ten per cent of the voting shares of the Company; or
- (d) two or more persons having the right to vote on the resolution, or any person, who, by virtue of being appointed proxy for one or more shareholder having the right to vote at the meeting, holds two or more votes.

55.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the chair of the meeting consents to the withdrawal.

55.4 Polls must be taken immediately and in such manner as the chair of the meeting directs.

56. Errors and disputes

56.1 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.

56.2 Any such objection must be referred to the chair of the meeting, whose decision is final.

57. Content of Proxy Notices

57.1 Proxies may only validly be appointed by a notice in Writing (a "Proxy Notice") which:

- (a) states the name and Address of the shareholder appointing the proxy;
- (b) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- (d) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

57.2 The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

57.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

57.4 Unless a Proxy Notice indicates otherwise, it must be treated as:

- (a) 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
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

58. Delivery of Proxy Notices

58.1 A person who is entitled to attend, speak 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 Company by or on behalf of that person.

58.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.

58.3 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.

58.4 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 appointer's behalf.

59. Amendments to resolutions

59.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- (a) notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine); and
- (b) the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.

59.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

- (a) the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

59.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

WRITTEN RESOLUTIONS

60. Written resolutions

- 60.1 Subject to Article 60.5, a written resolution of the Company passed in accordance with this Article 60 shall have effect as if passed by the Company in general meeting.
- 60.2 A written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible shareholders.
- 60.3 A written resolution is passed as a special resolution if it is passed by shareholders representing not less than 75% of the total voting rights of eligible shareholders. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.
- 60.4 In relation to a resolution proposed as a written resolution of the Company the eligible shareholders are the shareholders who would have been entitled to vote on the resolution on the Circulation Date of the resolution.
- 60.5 A shareholders' resolution under the Companies Acts removing a Director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
- 60.6 A copy of the written resolution must be sent to every shareholder together with a statement informing the shareholder how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written notices shall be sent to the Company's auditors in accordance with the Companies Acts.
- 60.7 A shareholder signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated Document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
- 60.8 If the Document is sent to the Company in Hard Copy Form, it is authenticated if it bears the shareholder's signature.
- 60.9 If the Document is sent to the Company by Electronic Means, it is authenticated if it bears the shareholder's signature or if the identity of the shareholder is confirmed in a manner agreed by the Directors or if it is accompanied by a statement of the identity of the shareholder and the Company has no reason to doubt the truth of that statement or if it is from an email Address notified by the shareholder to the Company for the purposes of receiving Documents or information by Electronic Means.
- 60.10 A written resolution is passed when the required majority of eligible shareholders have signified their agreement to it.
- 60.11 A proposed written resolution lapses if it is not passed within 28 days beginning with the Circulation Date.

ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS

61. Means of communication to be used

61.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

61.2 Subject to the Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or Documents for the time being.

61.3 A Director may agree with the Company that notices or Documents sent to that Director in a particular way are to be deemed to have been received within an agreed time of their being sent, and for the agreed time to be less than 48 hours.

62. 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.

63. Minutes

63.1 The Directors must cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the Directors;
- (b) of all resolutions of the Company and of the Directors (including, without limitation, decisions of the Directors made without a meeting); and
- (c) of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, including the names of the Directors present at each such meeting;

and any such minute, if purported to be signed (or in the case of minutes of Directors' meetings signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any shareholder or Director of the Company, be sufficient evidence of the proceedings.

63.2 The minutes must be kept for at least ten years from the date of the meeting, resolution or decision.

64. Records and accounts

64.1 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.
- 64.2 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.
- 64.3 A Social Report of the Company's activities may, by resolution of the Directors, be undertaken annually in addition to any financial statement or audit required by law.
- 64.4 The role of the Social Report shall be to identify the social costs and benefits of the Company's work, and to enable an assessment to be made of the Company's overall performance in relation to its objects more easily than may be made from financial accounts alone.
- 64.5 Such a Social Report may be drawn up by the Directors or by an independent assessor appointed by the Directors.
- 64.6 A Social Report shall include
 - (a) an assessment of the internal democracy and decision making of the Company;
 - (b) the earnings, health and safety, social inclusion, skill sharing and training opportunities of employees of the Company, and other matters concerning the overall personal welfare or job satisfaction of employees;
 - (c) an assessment of the Company's activities externally, including its effects on service users and their families, on people in the same or similar fields of activity, on persons residing in areas where the Company operates, or on the natural environment.
- 65. Equal opportunities
 - 65.1 The Company shall not be entitled to withhold or reject membership of the Company or of the Board of Directors on the grounds of any issues concerned with wealth, social class, age, politics, race, creed, religion, culture, ethnic origin, sex or sexual orientation, marital status, any kind of disability or chronic illness.
 - 65.2 Individuals incapacitated and who require the services of an advocate may be admitted to membership, at the discretion of the Directors. In such circumstances, the advocate shall be deemed responsible for exercising any rights and powers required by the individual, as agreed with the Directors. Those acts of the advocate, on behalf of the individual, shall be deemed the same as that of the individual.
 - 65.3 The Directors, in managing the business of the Company, shall have regard to the equal opportunities implications of the issues under their deliberation and in particular the extent to which equal opportunities might be furthered by their decisions but, for the avoidance of doubt, shall not be bound to treat equal opportunities as the overriding consideration.
- 66. Indemnity and insurance
 - 66.1 Subject to Article 66.2, 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.
- 66.2 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.
- 66.3 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.
- 66.4 In this Article:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
 - (b) a "relevant Director" means any Director or former Director of the Company or an associated company; and
 - (c) 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.



SCHEDULE

INTERPRETATION

1. In the Articles, unless the context requires otherwise, the following terms shall have the following meanings:

Term	Meaning
"Address"	includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;
"Advisory Group"	A panel composed of all of the people working for the Company in any capacity, including employees, secondees and volunteers, plus representatives selected by the Company's Board of Directors from among the people to whom the Company is for the time being providing services or support; where appropriate the Board may also include in the panel the parents or other relatives providing support at home for such people, or any other appropriate advocate or representative organisation or agency;
"Articles"	means the Company's articles of association;

“asset-locked body”	means (i) a community interest Company or a charity or a Permitted Industrial & Provident Society; or (ii) a body established outside the United Kingdom that is equivalent to any of those;
“Authorised Representative”	means any individual nominated by a Shareholder Organisation to act as its representative at any meeting of the Company in accordance with Article 54;
“bankruptcy”	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
”Chair”	has the meaning given in Article 11;
“chair of the meeting”	has the meaning given in Article 51;
“Circulation Date”	in relation to a written resolution, has the meaning given to it in the Companies Acts;
“Clear Days”	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;
“community”	is to be construed in accordance with the section 35(5) of the Companies (Audit, Investigations and Community Enterprise) Act 2004;
“Companies Acts”	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;
“Company”	people2people Shropshire Community Interest Company;
“Conflict of Interest”	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;
“Director”	means a director of the Company, and includes any person occupying the position of director, by whatever name called;
“distribution recipient”	has the meaning given in Article 39;
”Document”	includes, unless otherwise indicated, any document sent or supplied in Electronic Form;
“Electronic Form” and “Electronic Means”	have the meanings respectively given to them in section 1168 of the Companies Act 2006;
“fully paid”	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;
“Hard Copy Form”	has the meaning given in section 1168 of the Companies Act 2006;
“holder”	in relation to shares means the person whose name is entered in the register of shareholders as the holder of the shares;
“instrument”	means a document in Hard Copy Form;
“Memorandum”	the Company’s memorandum of association;
“paid”	means paid or credited as paid;
“participate”	in relation to a Directors’ meeting, has the meaning given in Article 15;
“partly paid”	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 not been paid in full to the Company;

"Permitted Industrial & Provident Society"	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;
"Proxy Notice"	has the meaning given in Article 57;
"the Regulations"	means the Community Interest Company Regulations 2005 (as amended);
"the Regulator"	means the Regulator of Community Interest Companies;
"Secretary"	the secretary of the Company (if any);
"shareholder"	means a person who is the holder of a share;
"shares"	means shares in the Company;
"specified"	means specified in the memorandum or articles of association of the Company for the purposes of this paragraph;
"subsidiary"	has the meaning given in section 1159 of the Companies Act 2006;
"transfer"	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 word of expression contained in these Articles bear the same meaning as in the Companies Acts as in force on the date when these Articles become binding on the Company.

8

