

**THE COMPANIES ACT 2006**

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**PRIVATE COMPANY LIMITED BY  
GUARANTEE**

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**ARTICLES OF ASSOCIATION**

**of**

**TRAFFIC International**

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**Incorporated on 9<sup>th</sup> day of June 1999  
under Company No. 03785518**

As adopted by special resolution dated 22 June 2017 and as amended by special  
resolution dated 13 December 2024

**MILLS & REEVE**

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**OF**

**TRAFFIC International**

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**1 Company's name**

1.1 The company's name is TRAFFIC International ("**charity**").

**2 Interpretation**

2.1 In the articles:

"**address**" means a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the charity;

"**articles**" means the charity's articles of association;

"**authorised representative**" means an individual appointed in accordance with article 19;

"**charity**" means the company intended to be regulated by the articles;

"**clear days**" in relation to the period of a notice means a period excluding:

- (a) the day when the notice is given or deemed to be given; and
- (b) the day for which it is given or on which it is to take effect;

"**Commission**" means the Charity Commission for England and Wales;

“**Companies Acts**” means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the charity;

“**directors**” means the directors of the charity. The directors are charity trustees as defined by section 177 of the Charities Act 2011;

“**document**” includes, unless otherwise specified, any document sent or supplied in electronic form;

“**electronic form**” has the meaning given in section 1168 of the Companies Act 2006;

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

“**founder member**” means either of:

(a) WWF - World Wide Fund for Nature (“**WWF**”); and

(b) IUCN, International Union for Conservation of Nature and Natural Resources (“**IUCN**”),

for so long as it remains a member of the charity, and “**founder members**” shall mean both of them;

“**founder members’ approval**” means the approval in writing or at a general meeting of all of the founder members for the time being;

“**founder member director**” means a director appointed in accordance with article 20.1;

“**independent director**” means a director appointed in accordance with article 20.1;

“**member**” means a person or entity admitted as a company member of the charity and includes the founder members;

“**officers**” includes the directors and the secretary (if any);

“**seal**” means the common seal of the charity if it has one;

“**secretary**” means any person appointed to perform the duties of the secretary of the charity;

“**United Kingdom**” means Great Britain and Northern Ireland; and

words importing one gender shall include all genders, and the singular includes the plural and vice versa.

- 2.2 Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the charity.
- 2.3 Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

### **3 Liability of Members**

- 3.1 The liability of the members is limited to a sum not exceeding £10, being the amount that each member undertakes to contribute to the assets of the charity in the event of its being wound up while he, she or it is a member or within one year after he, she or it ceases to be a member, for:
- 3.1.1 payment of the charity’s debts and liabilities incurred before he, she or it ceases to be a member;
  - 3.1.2 payment of the costs, charges and expenses of winding up; and
  - 3.1.3 adjustment of the rights of the contributories among themselves.

### **4 Objects**

- 4.1 The charity’s objects (“**Objects**”) are to promote for the public benefit the conservation and protection of nature and natural resources worldwide through helping to ensure that trade in wild animals and plants is at sustainable levels and in accordance with domestic and international laws and agreements.

### **5 Powers**

- 5.1 The charity has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, the charity has power:

- 5.1.1 to collect from government agencies, local national and international organisations and individuals involved in conservation, ecology, wildlife management, economics, sociology, anthropology, medicine, government and other relevant disciplines, the information necessary to monitor all aspects of trade in wild animals and plants;
- 5.1.2 to assess trade mechanisms and routes, analyse local and international trade statistics, conduct market surveys, investigate illegal wildlife trade activities and research relevant socio-economic issues, working in collaboration with any relevant organisations;
- 5.1.3 to store, process, analyse and interpret such information in order to develop well-informed knowledge relating to the positive and negative impacts of wildlife trade on the conservation of nature and natural resources;
- 5.1.4 to disseminate information and analyses derived from this information to government agencies, international and other bodies, individuals, the media, the public or otherwise, whether in response to individual requests, by the publication, for sale or otherwise, of books, reports, journals or other literature or through electronic media;
- 5.1.5 to monitor compliance and non-compliance with wildlife trade aspects of international treaties and conventions in the field of conservation nature and natural resources and make results known to interested parties and the public;
- 5.1.6 to promote the formation of and implementation by governmental and other bodies of policies concerning wildlife trade-related aspects of the conservation of nature and natural resources and encourage them to take action on issues identified by the charity as meriting concern;
- 5.1.7 to carry out such legal action or proceedings so far as is permissible by law;
- 5.1.8 to raise funds. In doing so, the charity must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations;

- 5.1.9 to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
- 5.1.10 to sell, lease or otherwise dispose of all or any part of the property belonging to the charity. In exercising this power, the charity must comply as appropriate with sections 117 and 122 of the Charities Act 2011;
- 5.1.11 to borrow money and to charge the whole or any part of the property belonging to the charity as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The charity must comply as appropriate with sections 124 - 126 of the Charities Act 2011 if it wishes to mortgage land;
- 5.1.12 to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
- 5.1.13 to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
- 5.1.14 to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity;
- 5.1.15 to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- 5.1.16 to employ and remunerate such staff as are necessary for carrying out the work of the charity.
- 5.1.17 to:
- (i) deposit or invest funds;
  - (ii) employ a professional fund-manager; and
  - (iii) arrange for the investments or other property of the charity to be held in the name of a nominee;

in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

5.1.18 to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.

## **6 Application of income and property**

6.1 The income and property of the charity shall be applied solely towards the promotion of its Objects and no part of such property and income may be transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the charity.

6.2 Nothing in this article 6 prevents any payment in good faith by the charity:

6.2.1 of the usual professional charges for business done by any director who is a solicitor, accountant or other person engaged in a profession, or by any partner of his or hers, when instructed by the charity to act in a professional capacity on its behalf provided that at no time shall a majority of the directors benefit under this provision and that a director shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion;

6.2.2 of reasonable and proper remuneration for any services to the charity by any member, officer or servant of the charity who is not a director;

6.2.3 of interest on money lent by any member of the charity at a reasonable and proper rate per annum not exceeding 2 per cent less than the published base lending rate of a clearing bank to be selected by the directors;

6.2.4 of reasonable and proper rent for premises demised or let by any member of the charity;

6.2.5 of fees, remuneration or other benefit in money or money's worth to any company of which a member may also be a member holding not more than 1% of the issued share capital of that company;

6.2.6 to any director of reasonable, out-of-pocket expenses; or

6.2.7 of any premium in respect of any such insurance as is permitted by article 32.

## **7 Benefits and payments to charity directors**

7.1 Save as provided in article 6:

7.1.1 directors may not be remunerated or otherwise paid for being directors;

7.1.2 directors may not receive any fees, payments or other remuneration for providing any other services to the charity unless expressly permitted in these articles; and

7.1.3 no director may be appointed to paid employment with the charity and no employee may be appointed as a director.

## **8 Declaration of directors' interests**

8.1 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 charity or in any transaction or arrangement entered into by the charity which has not previously been declared. A director must absent himself or herself from any discussions of the charity directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the charity and any personal interest (including but not limited to any personal financial interest).

## **9 Conflicts of interests and conflicts of loyalties**

9.1 If a conflict of interests arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:

9.1.1 the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;

9.1.2 the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting; and

9.1.3 the unconflicted directors consider it is in the interests of the charity to authorise the conflict of interests in the circumstances applying.



9.2 In this article 9 a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or to a connected person.

## **10 Members**

10.1 The members of the charity shall be as follows:

10.1.1 the founder members; and

10.1.2 those persons appointed as independent directors from time to time.

10.2 Membership is not transferable.

10.3 The directors must keep a register of names and addresses of the members.

## **11 Classes of membership**

11.1 The directors may establish classes of membership with different rights and obligations and shall record the rights and obligations in the register of members.

11.2 The directors may not directly or indirectly alter the rights or obligations attached to a class of membership.

11.3 The rights attached to a class of membership may only be varied if:

11.3.1 three-quarters of the members of that class consent in writing to the variation; or

11.3.2 a special resolution is passed at a separate general meeting of the members of that class agreeing to the variation.

11.4 The provisions in the articles about general meetings shall apply to any meeting relating to the variation of the rights of any class of members.

## **12 Termination of membership**

12.1 Membership is terminated if:

12.1.1 being a member by virtue of Article 10.1.2, the member ceases to be an independent director;

12.1.2 the member dies or, if it is an organisation, ceases to exist;

- 12.1.3 the member resigns by written notice to the charity unless, after the resignation, there would be less than two members;
- 12.1.4 any sum due from the member to the charity is not paid in full within six months of it falling due;
- 12.1.5 being a member by virtue of Article 10.1.2, the member is removed from membership by a resolution of the directors that it is in the best interests of the charity that his or her or its membership is terminated. A resolution to remove a member from membership may only be passed if:
- (i) the member has been given at least twenty-one days' notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is to be proposed;
  - (ii) the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations to the meeting.

### **13 General meetings**

- 13.1 The directors may call a general meeting (including an annual general meeting) at any time, and on the requisition of members pursuant to the provisions of the Companies Act shall immediately proceed to convene a general meeting in accordance with those provisions.

### **14 Notice of general meetings**

- 14.1 The minimum periods of notice required to hold a general meeting of the charity are:
- 14.1.1 twenty-one clear days for an annual general meeting or a general meeting called for the passing of a special resolution;
  - 14.1.2 fourteen clear days for all other general meetings.
- 14.2 A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 percent of the total voting rights.

- 14.3 The notice must specify the date, time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article 16.
- 14.4 The notice must be given to all the members and to the directors and auditors.
- 14.5 The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the charity.

## **15 Proceedings at general meetings**

- 15.1 No business shall be transacted at any general meeting unless a quorum is present.
- 15.2 A quorum is half of the total number of members, who shall be present in person or by proxy and entitled to vote upon the business to be conducted at the meeting.
- 15.3 The authorised representative of a member organisation shall be counted in the quorum.
- 15.4 If:
- 15.4.1 a quorum is not present within half an hour from the time appointed for the meeting; or
  - 15.4.2 during a meeting a quorum ceases to be present;
- the meeting shall be adjourned to such time and place as the directors shall determine.
- 15.5 The directors must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.
- 15.6 If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person or by proxy at that time shall constitute the quorum for that meeting.
- 15.7 General meetings shall be chaired by the person who has been appointed to chair meetings of the directors.

- 15.8 If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting a director nominated by the directors shall chair the meeting.
- 15.9 If there is only one director present and willing to act, he or she shall chair the meeting.
- 15.10 If no director is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting.
- 15.11 The members present in person or by proxy at a meeting may resolve by ordinary resolution that the meeting shall be adjourned.
- 15.12 The person who is chairing the meeting must decide the date, time and place at which the meeting is to be reconvened unless those details are specified in the resolution.
- 15.13 No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place.
- 15.14 If a meeting is adjourned by a resolution of the members for more than seven days, at least seven clear days' notice shall be given of the reconvened meeting stating the date, time and place of the meeting.
- 15.15 Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded:
- 15.15.1 by the person chairing the meeting; or
  - 15.15.2 by at least two members present in person or by proxy and having the right to vote at the meeting; or
  - 15.15.3 by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- 15.16 The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.

- 15.17 The result of the vote must be recorded in the minutes of the charity but the number or proportion of votes cast need not be recorded.
- 15.18 A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting.
- 15.19 If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.
- 15.20 A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll.
- 15.21 The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 15.22 A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.
- 15.23 A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs.
- 15.24 The poll must be taken within thirty days after it has been demanded.
- 15.25 If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 15.26 If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

## **16 Content of proxy notices**

- 16.1 Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:
- 16.1.1 states the name and address of the member appointing the proxy;
  - 16.1.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
  - 16.1.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

- 16.1.4 is delivered to the charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 16.2 The charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 16.3 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.
- 16.4 Unless a proxy notice indicates otherwise, it must be treated as:
  - 16.4.1 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
  - 16.4.2 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.

## **17 Delivery of proxy notices**

- 17.1 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 charity by or on behalf of that person.
- 17.2 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.
- 17.3 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.
- 17.4 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.

## **18 Written resolutions**

- 18.1 A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been

entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:

- 18.1.1 a copy of the proposed resolution has been sent to every eligible member;
  - 18.1.2 a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution; and
  - 18.1.3 it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date.
- 18.2 A resolution in writing may comprise several copies to which one or more members have signified their agreement.
- 18.3 In the case of a member that is an organisation, its authorised representative may signify its agreement.

## **19 Votes of members**

- 19.1 Subject to article 11, every member, whether an individual or an organisation, shall have one vote.
- 19.2 No amendment to Articles 10.1, this 19.2, 20.1, or 23 shall be valid without founder members' approval.
- 19.3 Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.
- 19.4 Any organisation that is a member of the charity may nominate any person to act as its authorised representative at any meeting of the charity.
- 19.5 The organisation must give written notice to the charity of the name of its authorised representative. The representative shall not be entitled to represent the organisation at any meeting unless the notice has been received by the charity. The authorised representative may continue to represent the organisation until written notice to the contrary is received by the charity.

19.6 Any notice given to the charity will be conclusive evidence that the representative is entitled to represent the organisation or that his or her authority has been revoked. The charity shall not be required to consider whether the representative has been properly appointed by the organisation.

## 20 **Directors**

20.1 The directors shall be as follows:

20.1.1 up to two directors appointed by WWF in writing to the charity;

20.1.2 up to two directors appointed by IUCN in writing to the charity

(together the “**founder member directors**”); and

20.1.3 at least five directors appointed by the directors (the “**independent directors**”).

20.2 No trustee, employee or member of a governing body of WWF or IUCN (or employee of any other office of IUCN or the WWF network) is eligible to be appointed as an independent director.

20.3 A director must be a natural person aged 16 years or older.

20.4 No one may be appointed a director if he or she would be disqualified from acting under the provisions of article 23.

20.5 A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.

20.6 A person shall not be entitled to act as a director, whether on a first or any subsequent entry into office, until he or she has signed a declaration of acceptance and willingness to act in accordance with the terms of these articles.

20.7 Notwithstanding anything in this article 20, the minimum number of independent directors in office may be reduced to three for the period of six months from the date of adoption of these articles.



## **21 Powers of directors**

- 21.1 The directors shall manage the business of the charity and may exercise all the powers of the charity unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.
- 21.2 No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.
- 21.3 Any meeting of directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the directors.

## **22 Retirement of directors**

- 22.1 Subject to article 23, a director's term of office shall be three years beginning on the date of his or her appointment.
- 22.2 Subject to article 22.3, prior to the expiry of a director's initial term of office the directors may vote, without that director present, to extend that director's term of office by a further term of three years.
- 22.3 No director who has served in office for six consecutive years shall be eligible for re-appointment without a break of at least twelve calendar months.

## **23 Disqualification and removal of directors**

- 23.1 A director shall cease to hold office if he or she:
- 23.1.1 being a founder member director:
    - (i) is removed by the appointing founder member by written notice to the charity; or
    - (ii) the appointing founder member ceases to be a member;
  - 23.1.2 being an independent director, he or she is removed by a majority decision of the directors;
  - 23.1.3 being an independent director, ceases to be a member;
  - 23.1.4 ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director;

- 23.1.5 is disqualified from acting as a trustee by virtue of sections 178 and 179 of the Charities Act 2011 (or any statutory re-enactment or modification of those provisions);
- 23.1.6 becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;
- 23.1.7 is removed by the directors on the basis that in their reasonable opinion, his or her conduct or behaviour is detrimental to the interests of the charity;
- 23.1.8 resigns as a director by notice to the charity (but only if at least four directors will remain in office when the notice of resignation is to take effect); or
- 23.1.9 is absent without the permission of the directors from all their meetings held within a period of six consecutive months and the directors resolve that his or her office be vacated.

## **24 Proceedings of directors**

- 24.1 The directors may regulate their proceedings as they think fit, subject to the provisions of the articles.
- 24.2 Any director may call a meeting of the directors.
- 24.3 The secretary (if any) must call a meeting of the directors if requested to do so by a director.
- 24.4 Questions arising at a meeting shall be decided unanimously, failing which by a majority of votes.
- 24.5 A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants.
- 24.6 No decision may be made by a meeting of the directors unless a quorum is present at the time the decision is purported to be made. 'Present' includes being present by suitable electronic means agreed by the directors in which a participant or participants may communicate with all the other participants.
- 24.7 The quorum shall be a majority of all eligible directors.

- 24.8 A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote.
- 24.9 If the number of directors in office is less than the minimums prescribed in Article 20.1, or the number of directors attending a meeting is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
- 24.10 The directors shall appoint a director to chair their meetings and may appoint a deputy chair, and may at any time revoke any such appointments.
- 24.11 If no-one has been appointed to chair meetings of the directors or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair that meeting.
- 24.12 The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by the articles or delegated to him or her by the directors.
- 24.13 A resolution in writing or in electronic form agreed by all of the directors entitled to receive notice of a meeting of the directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.
- 24.14 The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more directors has signified their agreement.

## **25 Delegation**

- 25.1 The directors may delegate any of their powers or functions to such committees as they think fit provided that each such committee shall include at least one director and the terms of any delegation must be recorded in the minute book.
- 25.2 The directors may delegate day-to-day management of the charity to a suitably qualified executive on such terms and conditions of employment as they see fit.
- 25.3 The directors may impose conditions when delegating, including the conditions that:

25.3.1 the relevant powers are to be exercised exclusively by those to whom they delegate;

25.3.2 no expenditure may be incurred on behalf of the charity except in accordance with a budget previously agreed with the directors.

25.4 The directors may revoke or alter a delegation.

25.5 All acts and proceedings of any committees must be fully and promptly reported to the directors.

## **26 Validity of directors' decisions**

26.1 Subject to article 26.2, all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director:

26.1.1 who was disqualified from holding office;

26.1.2 who had previously retired or who had been obliged by the constitution to vacate office;

26.1.3 who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise;

if without:

26.1.4 the vote of that director; and

26.1.5 that director being counted in the quorum;

the decision has been made by a majority of the directors at a quorate meeting.

26.2 Article 26.1, does not permit a director or connected person to keep any benefit that may be conferred upon him or her by a resolution of the directors or of a committee of directors if, but for article 26.1, the resolution would have been void, or if the director has not complied with article 8.

## **27 Minutes**

27.1 The directors must keep minutes of all:

27.1.1 appointments of officers made by the directors;

- 27.1.2 proceedings at meetings of the charity;
- 27.1.3 meetings of the directors and committees of directors including:
  - (i) the names of the directors present at the meeting;
  - (ii) the decisions made at the meetings; and
  - (iii) where appropriate the reasons for the decisions.

## **28 Accounts**

- 28.1 The directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.
- 28.2 The directors must keep accounting records as required by the Companies Acts.

## **29 Annual Report and Return and Register of Charities**

- 29.1 The directors must comply with the requirements of the Charities Act 2011 with regard to the:
  - 29.1.1 transmission of a copy of the statements of account to the Commission;
  - 29.1.2 preparation of an Annual Report and the transmission of a copy of it to the Commission;
  - 29.1.3 preparation of an Annual Return and its transmission to the Commission.
- 29.2 The directors must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

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

- 30.1 Subject to the articles, anything sent or supplied by or to the charity 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 charity.

30.2 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.

30.3 Any notice to be given to or by any person pursuant to the articles:

30.3.1 must be in writing; or

30.3.2 must be given in electronic form.

30.4 The charity may give any notice to a member either:

30.4.1 personally; or

30.4.2 by sending it by post in a prepaid envelope addressed to the member at his or her address; or

30.4.3 by leaving it at the address of the member; or

30.4.4 by giving it in electronic form to the member's address; or

30.4.5 by placing the notice on a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state that it concerns a notice of a company meeting and must specify the place, date and time of the meeting.

30.5 A member present in person at any meeting of the charity shall be deemed to have received notice of the meeting and of the purposes for which it was called.

30.6 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.

30.7 Proof that an electronic form of notice was given shall be conclusive where the company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.

30.8 In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:

30.8.1 48 hours after the envelope containing it was posted; or

30.8.2 in the case of an electronic form of communication, 48 hours after it was sent.

### **31 Indemnity**

31.1 Subject to article 31.2, a relevant director may be indemnified out of the charity's assets against:

31.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the charity or an associated company;

31.1.2 any liability incurred by that director in connection with the activities of the charity 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);

31.1.3 any other liability incurred by that director as an officer of the charity or an associated company.

31.2 These articles do not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law.

31.3 For the purposes of this article 31:

31.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

31.3.2 a "relevant director" means any director or former director of the charity or an associated company.

### **32 Insurance**

32.1 The directors may decide to purchase and maintain insurance, at the expense of the charity, for the benefit of any relevant director in respect of any relevant loss. In this article:

- 32.1.1 a “relevant director” means any director or former director of the charity or an associated company;
- 32.1.2 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 charity, any associated company or any pension fund of the charity or associated company; and
- 32.1.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

### **33 Rules**

- 33.1 The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the charity.
- 33.2 The bye laws may regulate the following matters but are not restricted to them:
  - 33.2.1 the conduct of members of the charity in relation to one another, and to the charity’s employees and volunteers;
  - 33.2.2 the setting aside of the whole or any part or parts of the charity’s premises at any particular time or times or for any particular purpose or purposes;
  - 33.2.3 the procedure at general meetings and meetings of the directors in so far as such procedure is not regulated by the Companies Acts or by the articles;
  - 33.2.4 generally, all such matters as are commonly the subject matter of company rules.
- 33.3 The charity in general meeting has the power to alter, add or to repeal the rules or bye laws.
- 33.4 The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity.



33.5 The rules or bye laws shall be binding on all members of the charity. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

#### **34 Disputes**

34.1 If a dispute arises between members of the charity about the validity or propriety of anything done by the members of the charity under these articles, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

#### **35 Dissolution**

35.1 If upon the winding up or dissolution of the charity, there remains, after the satisfaction of its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the charity generally, but shall be given or transferred to any one or more charities that:

35.1.1 have similar charitable purposes to the charity and which are charitable in accordance with the Charities Act 2011;

35.1.2 have restrictions on the application of their property at least equivalent to the restrictions applicable under these articles.

35.2 If that is not possible, they shall be transferred to or applied towards some other purposes that are charitable under the law of England and Wales.

#### **36 Interpretation**

36.1 In article 9.2 and article 26.2, “**connected person**” means:

36.1.1 a child, parent, grandchild, grandparent, brother or sister of the director;

36.1.2 the spouse or civil partner of the director or of any person falling within paragraph 36.1.1 above;

36.1.3 a person carrying on business in partnership with the director or with any person falling within paragraph 36.1.1 or 36.1.2 above;

36.1.4 an institution which is controlled:

- (i) by the director or any connected person falling with paragraphs 36.1.1, 36.1.2 or 36.1.3 above; or
- (ii) by two or more persons falling within paragraph 38.1.4(i) above, when taken together

36.1.5 a body corporate in which:

- (i) the director or any connected person falling within paragraphs 36.1.1 to 36.1.3 above has a substantial interest; or
- (ii) two or more persons falling within sub-paragraph 36.1.5(i) above who, when taken together, have a substantial interest.
- (iii) Sections 350 – 352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this article.