

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE
ARTICLES OF ASSOCIATION
OF THE
ADVANCED STEAM TRACTION TRUST

1
COMPANY NAME

The company's name is the ADVANCED STEAM TRACTION TRUST (and in this document it is called the "Trust").

2
INTERPRETATION

2.1
The regulations contained in the Model Articles for Private Companies Limited by Guarantee set out in Schedule 2 of The Companies (Model Articles) Regulations 2008 (SI 3229/2008) shall not apply to the Company.

2.2
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 Trust;

"the articles"
means the Trust's articles of association;

"the Trust"
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;

"the Commission"

means the Trust 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 Trust;

"the directors"

means the directors of the Trust. The directors are Trust trustees as defined by section 97 of the Charities Act 1993;

"documents"

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 Trust;

"electronic form"

has the meaning given in section 1168 of the Companies Act 2006;

"the memorandum"

means the Trust's memorandum of association;

"officers"

includes the directors and the secretary (if any);

"the seal"

means the common seal of the Trust if it has one;

"secretary"

means any person appointed to perform the duties of the secretary of the Trust;

"the 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.

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 Trust.

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 or the time being in force.

3

LIABILITY OF MEMBERS

3.1

The liability of the members is limited.

3.2

Every member of the Trust promises, if the Trust is dissolved while he or she or it is a member or within twelve months after he or she or it ceases to be a member, to contribute such sum (not exceeding 10GBP) as may be demanded of him or her or it towards the payment of the debts and liabilities of the Trust incurred before he or she or it ceases to be a member, and of the costs charges and expenses of winding up and the adjustment of the rights of the contributories among themselves.

4

OBJECTS

4.1

The Trust's Objects are specifically restricted to the following:

(a) to foster and promote the long term understanding of, research into and development of the steam railway locomotive, in particular from a technical perspective, and to promote the advancement and application of steam locomotive technology for public benefit for educational and instructional purposes.

(b) to use the Trust's property to promote public knowledge, appreciation and understanding of the technological, educational, scientific and cultural aspects of the Trusts property for the benefit of the public.

5

POWERS

The Trust has power to do anything which is calculated to further its Object(s) or is conducive or incidental to doing so. In particular, the Trust has power:

5.1

to raise funds. In doing so, the Trust must not undertake any substantial permanent trading activity and must comply with any relevant statutory regulations;

5.2

to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;

5.3

to sell, lease or otherwise dispose of all or any part of the property belonging to the Trust. In exercising this power, the Trust must comply as appropriate with sections 36 and 37 of the Charities Act 1993, as amended by the Charities Act 2006;

5.4

to borrow money and to charge the whole or any part of the property belonging to the Trust as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation;

5.5

to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;

5.6

to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;

5.7

to acquire, merge with or to enter into any partnership or joint venture arrangement with any other Trust;

5.8

to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;

5.9

to employ and remunerate such staff as are necessary for carrying out the work of the Trust. The Trust may employ or remunerate a director only to the extent it is permitted to do so by article 6 and provided it complies with the conditions in that article;

5.10

to:

- (a) deposit or invest funds;
- (b) employ a professional fund-manager; and
- (c) arrange for the investments or other property of the Trust to be held in the name of a nominee;

5.11

to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993;

5.12

to pay out of the funds of the Trust the costs of forming and registering the Trust both as a company and as a Trust;

6

APPLICATION OF INCOME AND PROPERTY UNIVERSAL CLAUSES

6.1

The income and property of the Trust shall be applied solely towards the promotion of the Objects.

6.2

(a) A director is entitled to be reimbursed from the property of the Trust or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Trust.

(b) A director may benefit from trustee indemnity insurance cover purchased at the Trust's expense in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993.

(c) A director may receive an indemnity from the Trust in the circumstances specified in article 56.

6.3

None of the income or property of the Trust may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Trust. This does not prevent a member who is not also a director receiving:

(a) a benefit from the Trust in the capacity of a beneficiary of the Trust;

(b) reasonable and proper remuneration for any goods or services supplied to the Trust.

6.4

DIRECTORS BENEFITS

Provision of goods and services, employment, other remuneration/financial benefits - directors /connected persons

6.4.1

No director or connected person may:

(a) buy any goods or services from the Trust on terms preferential to those applicable to members of the public;

(b) sell goods, services, or any interest in land to the Trust;

(c) be employed by, or receive any remuneration from, the Trust;

(d) receive any other financial benefit from the Trust; unless

(i) the payment is permitted by article 6.4.2(a); or

(ii) the directors obtain the prior written approval of the Commission and fully comply with any procedures it prescribes.

Scope and powers permitting directors/connected persons' benefits

6.4.2

- (a) A director or connected person may receive a benefit from the Trust in the capacity of a beneficiary of the Trust.
- (b) A director or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the Trust where that is permitted in accordance with, and subject to the conditions in, section 73A to 73C of the Charities Act 1993.
- (c) Subject to article 6.4.3 a director or connected person may provide the Trust with goods that are not supplied in connection with services provided to the Trust by the director or connected person.
- (d) A director or connected person may receive interest on money lent to the Trust at a reasonable and proper rate which must be 2% (or more) per annum below the base rate of a clearing bank to be selected by the directors.
- (e) A director or connected person may receive rent for premises let by the director or connected person to the Trust if the amount of the rent and the other terms of the lease are reasonable and proper and provided that the director concerned shall withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (f) The directors may arrange for the purchase, out of the funds of the Trust, of insurance designed to indemnify the directors in accordance with the terms of, and subject to the conditions in, section 73F of the Charities Act 1993.
- (g) A director or connected person may take part in the normal trading and fundraising activities of the Trust on the same terms as members of the public.

Payment for supply of goods only - controls

6.4.3

The Trust and its directors may only rely upon the authority provided by article 6.4.2(c) if each of the following conditions is satisfied:

- (a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between:
 - (i) the Trust or its directors (as the case may be); and
 - (ii) the director or connected person supplying the goods ("the supplier") under which the supplier is to supply the goods in question to or on behalf of the Trust.
- (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.

(c) The other directors are satisfied that it is in the best interests of the Trust to contract with the supplier rather than with someone who is not a director or connected person. In reaching that decision the directors must balance the advantage of contracting with a director or connected person against the disadvantages of doing so.

(d) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the Trust.

(e) The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of directors is present at the meeting.

(f) The reason for their decision is recorded by the directors in the minute book.

(g) A majority of the directors then in office are not in receipt of remuneration or payments authorised by article 6.4.1.

6.5

In sub-clauses (2)-(4) of this article 6:

(a) "Trust" shall include any company in which the Trust:

- holds more than 50% of the shares; or
- controls more than 50% of the voting rights attached to the shares; or
- has the right to appoint one or more directors to the board of the company;

(b) in sub-clause (4) of this article 6, sub-clause (2) of article 45 and sub-clause (2) of article 46 "connected person" means:

(i) a child, parent, grandchild, grandparent, brother or sister of the director;

(ii) the spouse or civil partner of the director or of any person falling within paragraph (i) above;

(iii) a person carrying on business in partnership with the director or with any person falling within paragraph (i) or (ii) above;

(iv) an institution which is controlled:

(i) by the director or any connected person falling within paragraph (i), (ii), or (iii) above; or

(ii) by two or more persons falling within sub-paragraph (i), when taken together

(v) a body corporate in which:

(i) the director or any connected person falling within paragraphs (i) to (iii) has a substantial interest; or

(ii) two or more persons falling within sub- paragraph (I) who, when taken together, have a substantial interest.

6.6

Paragraphs 2 to 4 of Schedule 5 to the Charities Act 1993 apply for the purposes of interpreting the terms used in this sub-clause.

7

MEMBERS

7.1

The subscribers to the memorandum are the first members of the Trust.

7.2

Membership is open to other individuals or organisations who:

(a) apply to the Trust in the form required by the directors; and

(b) are approved by the directors.

7.3

Refusal of membership application

(a) The directors may only refuse an application for membership if, acting reasonably and properly, they consider it to be in the best interests of the Trust to refuse the application.

(b) The directors must inform the applicant in writing of the reasons for the refusal within twenty-one days of the decision.

(c) The directors must consider any written representations the applicant may make about the decision. The directors' decision following any written representations must be notified to the applicant in writing but shall be final.

The directors may call a general meeting at any time.

7.4

Membership is not transferable.

7.5

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

CLASSES OF MEMBERSHIP

8.1 There are two classes of membership.

8.1.1 Individual members.

Individual membership will normally (but not exclusively) be available to those who have been Associates for two years and have been elected by the General Committee. Individual membership may also be available on invitation from the Committee to individuals who possess special expertise.

Individual members are entitled to one vote on each Agenda item

8.1.2 Corporate members.

Corporate membership is open to organisations and companies with an interest in steam locomotive technology subject to approval by the General Committee. The Corporate Membership application form must be completed and the corporate member donation paid on such terms as determined at the time of the application.

Corporate members can nominate a person to attend all Trust meetings as their representative. The nominee will have the same voting rights as an individual member.

8.2.1

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

8.2.2

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

8.3

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

- (a) three quarters of the members of that class consent in writing to the variation, or
- (b) a special resolution is passed at a separate general meeting of the members of that class agreeing to the variation.

8.4 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.

ASSOCIATES

9.1 Individuals and corporate bodies that are not members may become associates by completing the associate application form and paying the relevant annual subscription.

9.2 Associates will not have any voting rights but will be eligible for consideration for election to membership by the General committee after two years active participation as an Associate.

10

TERMINATION OF MEMBERSHIP

Membership is terminated if:

10.1

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

10.2

the member resigns by written notice to the Trust unless, after the resignation, there would be less than two members;

10.3

any sum due from the member to the Trust is not paid in full within six months of it falling due;

10.4

the member is removed from membership by a resolution of the directors that it is in the best interests of the Trust that his or her or its membership is terminated. A resolution to remove a member from membership may only be passed if:

(a) 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;

(b) the member or, at the option of the member, the member's representative (who need not be a member of the Trust) has been allowed to make representations to the meeting.

10.5

Associate membership shall cease in the same circumstances as set out for members in 10.1 to 10.4 above. The procedure as set out in 10.4 will also be applicable.

11

GENERAL MEETINGS

11.1

The Trust must hold its first annual general meeting within eighteen months after the date of its incorporation.

11.2

An annual general meeting must be held in each subsequent year and not more than fifteen months may elapse between successive annual general meetings.

11.3

The Annual General Meeting of the Trust shall be held not later than the end of May each year. 21 clear days written notice shall be given to Members of the Annual General Meeting by circulating a copy of the notice to every member at their home postal address or e-mail address and posting the notice on the Trust Web Site.

Members must advise the Secretary in writing or by e-mail of any business to be moved at the Annual General Meeting at least 14 days before a meeting. The Secretary shall circulate or give notice of the agenda for the meeting to Members not less than 7 days before the meeting.

11.4

The business of the Annual General Meeting shall be to:

11.4.1

Confirm the minutes of the previous Annual General Meeting and any General Meetings held since the last Annual General Meeting.

11.4.2

Receive the audited accounts for the year from the Treasurer.

11.4.3

Receive the annual report of the Committee from the Secretary.

11.4.4

Elect an auditor.

11.4.5

Elect the Officers of the Trust (i.e. President, Chairperson, Secretary, Treasurer, Membership Secretary and the other General Committee Members).

11.4.6

Review the Trust subscription rates and agree them for the forthcoming year as recorded in the minutes.

11.4.7

Transact such other business received in writing by the Secretary from Members 14 days prior to the meeting and included in the agenda.

NOTE: Although the agenda could provide for "Any Other Business", Members should be encouraged to refer other items to the General Committee and give the required notice for important Annual General Meeting business.

11.4.8

All Officers shall be elected at the Annual General Meeting of the Trust, from, and by, the Members of the Trust.

11.4.9

All Officers are elected for a period of one year, but may be re-elected to the same office or another office the following year.

11.5

General Committee

11.5.1

The affairs of the Trust shall be controlled by a General Committee comprising of the Executive Officers of the Group and 3 other Members elected from, and by, the Full Members of the Trust. The General Committee shall meet at agreed intervals and not less than two times per year.

11.5.2

The duties of the General Committee shall be:

11.5.2.1

To control the affairs of the Trust on behalf of the Members

11.5.2.2

To keep accurate accounts of the finances of the Trust through the Treasurer. These should be available for reasonable inspection by Members and should be audited before every Annual General Meeting.

The Trust shall maintain a bank current account and the following Officers shall be authorised to sign Trust cheques: two from the Chairperson, Treasurer and Secretary.

11.5.2.3

To co-opt additional members to the Committee as the Committee feels this is necessary. Co-opted members shall not be entitled to a vote on the Committee.

11.5.2.4

To make decisions on the basis of a simple majority vote. In the case of equal votes, the Chairperson shall be entitled to an additional casting vote. At times when the General Committee cannot meet voting by e-mail will be allowed.

11.5.2.5

To propose and decide the annual membership subscription levels and, where relevant, to set budgets for the Trust.

11.6

The Officers of the Trust shall be as follows:

President (Non-Executive Officer)

Chairperson

Secretary

Treasurer

Membership Secretary

12

CALLING OF MEETINGS

The Directors may call a meeting at any time.

13

NOTICE OF GENERAL MEETINGS

13.1

The minimum periods of notice required to hold a general meeting of the Trust are:

- (a) twenty-one clear days for an annual general meeting or a general meeting called for the passing of a special resolution;
- (b) fourteen clear days for all other general meetings.

13.2

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.

13.3

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 19.

13.4

The notice must be given to all the members and to the directors and auditors.

14

OMISSION OF NOTICE

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 Trust.

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:

- (a) members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting; or
- (b) one tenth of the total membership at the time

whichever is the greater.

15.3

The authorised representative of a member organisation shall be counted in the quorum.

16

QUORUM AT MEETINGS

16.1

If

- (a) a quorum is not present within half an hour from the time appointed for the meeting; or
- (b) during a meeting a quorum ceases to be present;

the meeting shall be adjourned to such time and place as the directors shall determine.

16.2

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.

16.3

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.

17

CHAIRING OF MEETINGS

17.1

General meetings shall be chaired by the person who has been appointed to chair meetings of the directors.

17.2

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.

17.3

If there is only one director present and willing to act, he or she shall chair the meeting.

17.4

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.

18

RECONVENING OF MEETINGS

18.1

The members present in person or by proxy at a meeting may resolve by ordinary resolution that the meeting shall be adjourned.

18.2

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.

18.3

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.

18.4

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.

19

VOTING AT MEETINGS

19.1

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:

- (a) by the person chairing the meeting; or
- (b) by at least two members present in person or by proxy and having the right to vote at the meeting; or
- (c) 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.

19.2

Voting results

- (a) The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- (b) The result of the vote must be recorded in the minutes of the Trust but the number or proportion of votes cast need not be recorded.

19.3

(a) 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.

(b) 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.

19.4

(a) 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.

(b) The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

19.5

(a) A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.

(b) 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.

(c) The poll must be taken within thirty days after it has been demanded.

(d) 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.

(e) If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

20

CONTENT OF PROXY NOTICES

20.1

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

(a) states the name and address of the member appointing the proxy;

(b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;

(c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

(d) is delivered to the Trust in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

20.2

The Trust may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

20.3

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.

20.4

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.

20.5

Delivery of proxy notices

20.5.1

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 Trust by or on behalf of that person.

20.5.2

An appointment under a proxy notice may be revoked by delivering to the Trust a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

20.5.3

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.

20.5.4

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 appointor's behalf.

21

WRITTEN RESOLUTIONS

21.1

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:

- (a) a copy of the proposed resolution has been sent to every eligible member;
- (b) 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
- (c) 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.

21.2

A resolution in writing may comprise several copies to which one or more members have signified their agreement.

21.3

In the case of a member that is an organisation, its authorised representative may signify its agreement.

22

VOTES OF MEMBERS

Subject to article 8, every member, whether an individual or an organisation, shall have one vote.

23

OBJECTIONS

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.

24

ORGANISATION REPRESENTATIVES

24.1

Any organisation that is a member of the Trust may nominate any person to act as its representative at any meeting of the Trust.

24.2

The organisation must give written notice to the Trust of the name of its representative. The representative shall not be entitled to represent the organisation at any meeting unless the notice has been received by the Trust. The representative may continue to represent the organisation until written notice to the contrary is received by the Trust.

24.3

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

25

DIRECTORS

25.1

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

25.2

No one may be appointed a director if he or she would be disqualified from acting under the provisions of article 37.

26

NUMBER OF DIRECTORS

The number of directors shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

27

FIRST DIRECTORS

The first directors shall be those persons notified to Companies House as the first directors of the Trust.

28

ALTERNATIVE DIRECTOR

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

29

POWERS OF DIRECTORS

29.1

The directors shall manage the business of the Trust and may exercise all the powers of the Trust unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.

29.2

No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.

29.3

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.

30

RETIREMENT OF DIRECTORS

At the first annual general meeting all the directors must retire from office unless by the close of the meeting the members have failed to elect sufficient directors to hold a quorate meeting of the directors. At each subsequent annual general meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. If there is only one director he or she must retire.

31

RETIREMENT OF DIRECTORS BY ROTATION

31.1

The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

31.2

If a director is required to retire at an annual general meeting by a provision of the articles the retirement shall take effect upon the conclusion of the meeting.

32

APPOINTMENT OF DIRECTORS

The Trust may by ordinary resolution:

32.1

appoint a person who is willing to act to be a director; and

32.2

determine the rotation in which any additional directors are to retire.

33

APPOINTMENT OF DIRECTORS AT GENERAL MEETINGS

No person other than a director retiring by rotation may be appointed a director at any general meeting unless:

33.1

he or she is recommended for re-election by the directors; or

33.2

not less than fourteen nor more than thirty-five clear days before the date of the meeting, the Trust is given a notice that:

(a) is signed by a member entitled to vote at the meeting;

(b) states the member's intention to propose the appointment of a person as a director;

(c) contains the details that, if the person were to be appointed, the Trust would have to file at Companies House; and

(d) is signed by the person who is to be proposed to show his or her willingness to be appointed.

34

GENERAL MEETING NOTICE

All members who are entitled to receive notice of a general meeting must be given not less than seven or more than twenty-eight clear days' notice of any resolution to be put to the meeting to appoint a director other than a director who is to retire by rotation.

35

SPECIALLY APPOINTED DIRECTORS

35.1

The directors may appoint a person who is willing to act to be a director.

35.2

A director appointed by a resolution of the other directors must retire at the next annual general meeting and must not be taken into account in determining the directors who are to retire by rotation.

36

MAXIMUM NUMBER OF DIRECTORS

The appointment of a director, whether by the Trust in general meeting or by the other directors, must not cause the number of directors to exceed any number fixed as the maximum number of directors.

37

DISQUALIFICATION AND REMOVAL OF DIRECTORS

A director shall cease to hold office if he or she:

37.1

ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director;

37.2

is disqualified from acting as a trustee by virtue of section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision);

37.3

ceases to be a member of the Trust;

37.4

becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;

37.5

resigns as a director by notice to the Trust (but only if at least two directors will remain in office when the notice of resignation is to take effect);

37.6

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; or

37.7

being a director of the Trust by virtue of his or her membership of or appointment to the board of a member of the Trust which is a body corporate, ceases to be such a member or officer of such corporate member or that corporate member ceases to be a member of the Trust.

38

RENUMERATION OF DIRECTORS

The directors must not be paid any remuneration unless it is authorised by article 6.

39

PROCEEDINGS OF DIRECTORS

39.1

The directors may regulate their proceedings as they think fit, subject to the provisions of the articles.

39.2

Any director may call a meeting of the directors.

39.3

The secretary (if any) must call a meeting of the directors if requested to do so by a director.

39.4

Questions arising at a meeting shall be decided by a majority of votes.

39.5

In the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote.

39.6

A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants.

40

QUORUM AT DIRECTORS MEETINGS

40.1

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.

40.2

The quorum shall be two or the number nearest to one-third of the total number of directors, whichever is the greater, or such larger number as may be decided from time to time by the directors.

40.3

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.

41

LIMITATIONS WHEN NO QUORUM CAN BE REACHED

If the number of directors 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.

42

CHAIR AT DIRECTORS MEETINGS

42.1

The directors shall appoint a director to chair their meetings and may at any time revoke such appointment.

42.2

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.

42.3

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.

43

RESOLUTIONS AT DIRECTORS MEETINGS

43.1

A resolution in writing or in electronic form agreed by a simple majority of all the directors entitled to receive notice of a meeting of directors or of a committee of 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 or (as the case may be) a committee of directors duly convened and held provided that:

(a) a copy of the resolution is sent or submitted to all the directors eligible to vote; and

(b) a simple majority of directors has signified its agreement to the resolution in an authenticated document or documents which are received at the registered office within the period of 28 days beginning with the circulation date.

43.2

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.

44

DELEGATION

44.1

The directors may delegate any of their powers or functions to a committee of two or more directors but the terms of any delegation must be recorded in the minute book.

44.2

The directors may impose conditions when delegating, including the conditions that:

(a) the relevant powers are to be exercised exclusively by the committee to whom they delegate;

(b) no expenditure may be incurred on behalf of the Trust except in accordance with a budget previously agreed with the directors.

44.3

The directors may revoke or alter a delegation.

44.4

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

45

DECLARATION OF DIRECTORS INTERESTS

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

46

CONFLICTS OF INTERESTS

46.1

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:

- (a) 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;
- (b) 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
- (c) the unconflicted directors consider it is in the interests of the Trust to authorise the conflict of interests in the circumstances applying.

46.2

In this article 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.

47

VALIDITY OF DIRECTORS DECISIONS

47.1

Subject to article 47(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:

- (a) who was disqualified from holding office;
- (b) who had previously retired or who had been obliged by the constitution to vacate office;
- (c) who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise; if without:
- (d) the vote of that director; and
- (e) that director being counted in the quorum;

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

47.2

Article 47(1) does not permit a director or a 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 47.1, the resolution would have been void, or if the director has not complied with article 45.

48

SEAL

If the Trust has a seal it must only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary (if any) or by a second director.

49

MINUTES

The directors must keep minutes of all:

49.1

appointments of officers made by the directors;

49.2

proceedings at meetings of the Trust;

49.3

meetings of the directors and committees of directors including:

- (a) the names of the directors present at the meeting;
- (b) the decisions made at the meetings; and
- (c) where appropriate the reasons for the decisions.

50

ACCOUNTS

50.1

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.

50.2

The directors must keep accounting records as required by the Companies Acts.

51

ANNUAL REPORT AND RETURN AND REGISTER OF CHARITIES

51.1

The directors must comply with the requirements of the Charities Act 1993 with regard to the:

- (a) transmission of the statements of account to the Trust;
- (b) preparation of an Annual Report and its transmission to the Commission;
- (c) preparation of an Annual Return and its transmission to the Commission.

51.2

The directors must notify the Commission promptly of any changes to the Trust's entry on the Central Register of Charities.

52

MEANS OF COMMUNICATION TO BE USED

52.1

Subject to the articles, anything sent or supplied by or to the Trust 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 Trust.

52.2

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.

53

FORMAT OF COMMUNICATIONS

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

53.1

must be in writing; or

53.2

must be given in electronic form.

54

NOTICES TO MEMBERS

54.1

The Trust may give any notice to a member either:

(a) personally; or

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

(c) by leaving it at the address of the member; or

(d) by giving it in electronic form to the member's address.

54.2

A member who does not register an address with the Trust or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the Trust.

55

ASSUMPTION OF NOTICE

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

56

PROOF OF NOTICE

56.1

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

56.2

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.

56.3

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

- (a) 48 hours after the envelope containing it was posted; or
- (b) in the case of an electronic form of communication, 48 hours after it was sent.

57

INDEMNITY

57.1

The Trust shall indemnify every director against any liability incurred in successfully defending legal proceedings in that capacity, or in connection with any application in which relief is granted by the Court from liability for negligence, default, or breach of duty or breach of trust in relation to the Trust.

57.2

In this article a "relevant director" means any director or former director of the Trust.

57.3

The Trust may indemnify an auditor against any liability incurred by him or her or it:

57.3.1

in defending proceedings (whether civil or criminal) in which judgment is given in his or her or its favour or he or she or it is acquitted; or

57.3.2

in connection with an application under section 1157 of the Companies Act 2006 (power of Court to grant relief in case of honest and reasonable conduct) in which relief is granted to him or her or it by the Court.

58
RULES

58.1

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 Trust.

58.2

The bye laws may regulate the following matters but are not restricted to them:

- (a) the admission of members of the Trust (including the admission of organisations to membership) and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members;
- (b) the conduct of members of the Trust in relation to one another, and to the Trust's employees and volunteers;
- (c) the setting aside of the whole or any part or parts of the Trust's premises at any particular time or times or for any particular purpose or purposes;
- (d) 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;
- (e) generally, all such matters as are commonly the subject matter of company rules.

58.3

The Trust in general meeting has the power to alter, add to or repeal the rules or bye laws.

58.4

The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the Trust.

58.5

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

59

INTELLECTUAL PROPERTY

59.1

The intellectual property rights of individual members of the Trust can be donated to the Trust if they so indicate in writing or by e-mail otherwise it remains the property of the individual.

59.2

In the event that the Trust is dissolved then the ownership of intellectual property rights given to the Trust shall revert to the donor or in the event of prior death, to the heirs of the donor.

59.3

Use of Trust intellectual property must be specifically authorised by the General Committee and be acknowledged as they shall decide. There is a further requirement that such information is treated as confidential to members and to any others permitted to use it whether or not the use of the information has been granted free of charge or through payment under licence.

59.4

Any intellectual property resulting from work carried out purely under the umbrella of and at the specific request of the Trust shall become the property of the Trust regardless of whether payment for such property has been made or not. Item 59.2 shall apply on dissolution whether or not the original assignee is a member of the Trust.

60

DISSOLUTION

60.1

If at any General Meeting of the Trust, a resolution be passed calling for the dissolution of the Trust, the Secretary shall immediately convene a Special General Meeting of the Trust to be held not less than one month thereafter to discuss and vote on the resolution.

60.2

If at that Special General Meeting, the resolution is carried by at least two-thirds of the Full Members present at the meeting, the General Committee shall thereupon, or at such date as shall have been specified in the resolution, proceed to realise the assets of the Trust and discharge all debts and liabilities of the Trust.

60.3

After discharging all debts and liabilities of the Trust, the remaining assets shall not be paid or distributed amongst the Full Members of the Trust, but shall be given or transferred to some other voluntary organisation having objects similar to those of the Trust.

60.4

Notwithstanding the provisions of clauses 59.2 and 59.3 above, the provisions as set out in clause 59 relating to the reversion of intellectual property upon dissolution shall apply.

60.5

The members of the Trust may at any time before, and in expectation of, its dissolution resolve that any net assets of the Trust after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Trust be applied or transferred in any of the following ways:

- (a) directly for the Objects; or
- (b) by transfer to any Trust or charities for purposes similar to the Objects; or
- (c) to any Trust or charities for use for particular purposes that fall within the Objects.

60.6

Subject to any such resolution of the members of the Trust, the directors of the Trust may at any time before and in expectation of its dissolution resolve that any net assets of the Trust after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the Trust be applied or transferred:

- (a) directly for the Objects; or
- (b) by transfer to any Trust or charities for purposes similar to the Objects; or
- (c) to any Trust or charities for use for particular purposes that fall within the Objects.

60.7

In no circumstances shall the net assets of the Trust be paid to or distributed among the members of the Trust (except to a member that is itself a Trust) and if no resolution in accordance with article 60.5 is passed by the members or the directors the net assets of the Trust shall be applied for charitable purposes as directed by the Court or the Commission.