

Scottish Charity Number: SC021876

Company No: SC143514

PRIVATE COMPANY LIMITED BY GUARANTEE WITHOUT SHARE CAPITAL USE OF 'LIMITED'  
EXEMPTION

ARTICLES OF ASSOCIATION

of

COLLEGE DEVELOPMENT NETWORK

Interpretation

1

(a) In these Articles,

<b>"the Act"</b>	means the provisions of the Companies Act 2006 as amended from time to time including any statutory modification or re-enactment hereof for the time being in force;
<b>"1992 Act"</b>	means the Further and Higher Education (Scotland) Act 1992 as amended from time to time including any statutory modification or re-enactment hereof for the time being in force;
<b>"2005 Act"</b>	means the Further and Higher Education (Scotland) Act 2005 as amended from time to time including any statutory modification or re-enactment hereof for the time being in force;
<b>"2013 Act"</b>	means the Post-16 Education (Scotland) Act 2013 as amended from time to time including any statutory modification or re-enactment hereof for the time being in force;
<b>"Articles"</b>	means the Articles of Association of the Company for the time being in force;
<b>"Associate Member"</b>	means those bodies invited to become Associate Members of the Company pursuant to article 12;
<b>"Board"</b>	means the Directors for the time being of the Company;
<b>"the Charities Act"</b>	means the provisions of the Charities and Trustee Investment (Scotland) Act 2005 as amended from time to time including any statutory modification or re-enactment thereof for the time being in force;
<b>"Company"</b>	means College Development Network (Company Number SC143514);

<b>"Company Member"</b>	means those organisations, undertakings or bodies admitted to membership of the Company in accordance with articles 8 and 9;
<b>"Director/Board Member"</b>	means a director/board member of the Board;
<b>"electronic communication"</b>	has the same meaning as is assigned to that expression in the Electronic Communications Act 2000;
<b>"Member"</b>	means a Company Member or Associate Member;
<b>"Principal"</b>	means the Principal or Chief Executive or person of equivalent status or title in overall charge of operational matters of a Company Member;
<b>"Principals' Group"</b>	means the forum of Principals as constituted and/or designated under article 82 from time to time;
<b>"Secretary"</b>	means the secretary of the Company or any other person appointed to perform the duties of the secretary to the Company, including a joint, assistant or deputy secretary;

References in these Articles to the singular shall be deemed to include the plural.

- (b) These Articles apply instead, and to the exclusion, of the model articles for private companies limited by guarantee set out in schedule 2 of The Companies (Model Articles) Regulations 2008.

## Objects

- 2 This article and article 3 shall be interpreted as if it incorporated an over-riding qualification limiting the powers of the Company such that any activity which would otherwise be permitted by the terms of these Articles may be carried on only if that activity furthers a purpose which is regarded as charitable for the purposes of section 505 of the Income and Corporation Taxes Act 1988 and the Charities Act. Subject to that over-riding qualification, the Company's objects are:

To promote the advancement of education for the public benefit in Scotland, the United Kingdom and elsewhere by (1) promoting and developing learning and professional development opportunities in Scotland's colleges and (2) the provision of education and lifelong learning opportunities to publicly funded, third sector and vocational organisations and institutions.

## Powers

- 3 In pursuance of such objects the Company shall have the following powers:
- (A) to support research and development and innovation in education and training and to provide in accordance with policies, programmes and priorities set by the Board, products, services and advice in support of:
- (i) organisation and management development for institutions involved in the delivery of programmes falling within the objects of the Company; programme design for and delivery of programmes falling within the objects of the Company;

- (ii) quality assurance in the organisation and delivery of programmes falling within the objects of the Company;
  - (iii) marketing and increasing awareness of education and lifelong learning;
  - (iv) disseminating information relevant to education and lifelong learning opportunities;
  - (v) information, organisational support and related services for European developments relevant to education and lifelong learning in Scotland or the United Kingdom generally; and
  - (vi) training and staff development.
- (B) to engage in and contribute to any matters affecting or relevant to the sector of further education in Scotland, in particular, matters relating to curriculum design and delivery and staff development;
- (C) to consider and offer observations on any proposals made by the government and other agencies affecting colleges, in particular to lead the process of gathering views/contributions from the sector to respond to such consultations;
- (D) in relation to matters connected with its activities to support strategic engagement and collaboration with the further education sector (1) to represent the interests of the sector of further education in Scotland and (2) to conduct dealings and to liaise with the Scottish Government, any local, national or other institutions, authorities, agencies, backers or persons, wherever in the world situate, on matters affecting the operation of the sector;
- (E) to consider and report on any matter which may be referred to the Company for consideration by a governing body of any college / college region (1) promoting and developing learning opportunities through Scotland's colleges and (2) the provision of education and lifelong learning opportunities to publicly funded, third sector and vocational organisations and institutions.
- (F) to carry on activities which support effective delivery of continuous professional development to the sector and, if necessary, to engage consultants and agents for the purpose of carrying on all or any of the foregoing activities.
- (G) to maintain close links and work in partnership with further education colleges and other providers of and agencies (including governmental bodies) supporting education, training and lifelong learning anywhere in the world;
- (H) to initiate, promote and carry out research, surveys and investigations and to publish knowledge acquired as a result of such research, surveys or investigations which are in furtherance of the objects;
- (I) to promote and support high quality, cost efficient education and training which provides relevant and effective programmes and services, and is accessible to everyone, including those with disabilities or learning difficulties, flexible in terms of time, place and means of delivery, responsive, useful and assessed by valid, reliable and practicable processes and subject to rigorous quality assurance procedures;
- (J) to establish and maintain collections of written material, literature and digital data:
- (i) for this purpose, to establish and operate computerised information gathering, storage and interpretation systems; and to disseminate information obtained therefrom by electronic means or otherwise; and

- (ii) to acquire and hold exclusive or non-exclusive interest in any copyright and other intellectual property rights, of the said material and data and to grant licences for, assign, market and turn to account any such intellectual property rights;
- (K) to assist, co-operate or collaborate with any relevant or appropriate person, association, institution and other body whatsoever, whether incorporated or unincorporated, engaged in work similar to the objects of the Company or having an interest in the vocational curriculum and to promote and encourage and make grants to facilitate and payments towards the expenses of research and development in topics relating to the vocational curriculum or within the scope of these objects;
- (L) to establish or acquire, alone or in collaboration with others, companies or other bodies, whether charitable or commercial, and to supply goods and services in furtherance of the objects of the Company;
- (M) to purchase or otherwise acquire, deal with and manage, all or any part of the business and undertaking of any body corporate, unincorporated association, partnership, institution or any other organisation or person carrying on a business or undertaking similar to or having similar functions or purposes as those of the Company and to carry on all or any part of such business on the same or any other premises or to modify or terminate the same and in furtherance of this power to enter into and implement agreements, assignments, transfers, contracts and any other arrangements formal or informal relating to any of the property, assets, engagements, rights and liabilities relating to any such business;
- (N) to establish, equip, maintain, and manage a principal place of business for the carrying out of the objects of the Company and to establish any associated and subsidiary places of business for the carrying out of such objects, or any one or more of them, as may seem expedient to the Company;
- (O) to receive subscriptions, contributions and gifts (whether of heritable, moveable, real or personal property and whether subject to any trust or not), legacies or bequests and to solicit and invite the provision of funds from any governmental department or agency, the European Community, any local, national or international body or from any corporation, company or person, for all or any of the objects of the Company and to conform to any conditions upon which such funds and other payments may be made available and to administer, allocate or expend such funds with a view to promoting the objects of the Company;
- (P) to undertake and organise schemes for the raising of money, other financial support and assistance in kind, and appeals both private and public, including the selling of goods and other products produced or acquired in connection with or ancillary to the objects of the Company;
- (Q) to establish, subsidise, acquire shares in, promote, co-operate or federate with, affiliate or become affiliated to, act as trustees or agents for or manage or lend money or other assistance to any person, company, association, society, institution or other body, corporate or unincorporate, established for charitable purposes only and having primary objects wholly or partly similar to those of the Company, and for the purpose of promoting the primary objects of the Company to co-operate with manufacturers, dealers, and other traders and organisations, and with the press and other sources of publicity;
- (R) to undertake, execute, establish, promote, or assist any charitable trusts or companies with charitable objects all or any of which are similar to the objects of the Company for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for the purpose of carrying on any activity which the Company is authorised to carry on or for any other charitable purpose directly or indirectly calculated to benefit the Company in the furtherance of its objects;
- (S) to prepare, print, issue, edit, publish, distribute, circulate and market, (or procure the same whether gratuitously or not) any newspaper, newsletter, periodical, magazine, book, pamphlet, circular, leaflet or other publication including audio and visual recordings which the Company may

consider related to or desirable for the promotion of its objects; including any research and development work promoted or carried out by, or in collaboration with the Company;

- (T) to hold, sponsor, arrange or organise lectures, courses, meetings, conferences, seminars, film shows and appeals and to establish equip and conduct whether alone or in collaboration with others educational courses, classes and talks and other means of instruction in furtherance of the purposes of the Company and at such places and at such times as the Company shall deem expedient;
- (U) to organise, manage, present, produce and support exhibitions, workshops; press conferences, trade fairs, festivals, advertising campaigns, promotions, displays and to assist and advise any person, corporation or organisation in relation thereto;
- (V) to advertise the Company, its objects and activities whether through radio, television or other similar media or through printed advertisement, poster, periodical, article, feature or otherwise in writing;
- (W) to purchase, take on lease or in exchange, hire or otherwise acquire any heritable or moveable, real or personal property and in particular any land, buildings, equipment, apparatus, appliances, and any rights or privileges necessary or convenient for the purposes of the Company and to construct, erect, alter, improve, maintain and demolish any buildings which may be from time to time required for the purposes of the Company; and to manage, develop, sell, demise, let, hire, mortgage, dispose of, turn to account or otherwise deal with all or part of the same with a view to the promotion of the objects of the Company;
- (X) to purchase or otherwise acquire plant, machinery, furniture, fixtures, fittings, equipment and all other effects of every description necessary or convenient or usually or normally used in connection with or for the purpose of all or any of the objects of the Company;
- (Y) subject to such consents as may be required by law, to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company as may be expedient in the promotion of its objects;
- (Z) to insure the Company, its property and assets against such risks as the Directors shall consider it prudent and necessary;
- (AA) to appoint, employ or secure the services of and remunerate executive, academic, professional, clerical, manual and other staff, including instructors and supervisors for the training of persons employed or to be employed by the Company in connection with the objects of the Company;
- (BB) to retain, appoint or contract with qualified professional advisers and to pay reasonable and proper fees for their services as approved by the Board;
- (CC) to establish and support pension and superannuation schemes for the benefit of persons employed by the Company, and make reasonable and necessary provision for payment of pensions, life assurances and/or superannuation and to grant pensions or retiring allowances to persons who have been employed by the Company or to their dependants and to make to such former employees payments on their redundancy or early retirement;
- (DD) to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or auditors of the Company or who are or were at any time trustees of any pension or retirement benefit scheme for the benefit of any employees or ex-employees of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise of their powers or

otherwise in connection with their duties, powers or offices in relation to the Company or pension or retirement benefit scheme;

- (EE) to enter into any arrangement with any governments or authorities (supreme, municipal, local or otherwise) or any corporations, companies or persons that may seem conducive to the attainment of the Company's objects or any of them;
- (FF) to act as agents in the channelling of funds, grants and any other monies available from any source;
- (GG) to borrow or raise any money that may be required by the Company upon such terms and upon such security as the Company sees fit;
- (HH) to guarantee and/or give security (either by way of mortgage or charge on all or any part of the property of the Company or otherwise) for the payment of money by or in the performance of obligations of any company being a charitable company;
- (II) to establish any subsidiary and to establish and/or participate in joint ventures and to promote companies whose activities may further one or more of the above objects or which may generate income to support one or more of the above objects, acquire and hold shares, stocks, debentures and other interests in such companies and carry out, in relation to any such Company which is a subsidiary of the Company, all such functions as may be associated with a holding company;
- (JJ) to undertake and execute any trust which may be conducive to the attainment of any of the objects of the Company, to act as trustees and accept as such specific tasks or responsibilities including advisory functions, providing the same shall be for the advancement of the objects of the Company and to receive and administer trust funds donated for purposes to promote the objects of the Company or purposes analogous thereto;
- (KK) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate banking accounts;
- (LL) to support and subscribe to any charitable object and any institution, society or club which is of benefit to the employees and the dependants of the employees of the Company, either directly or indirectly in furtherance of the primary objects of the Company;
- (MM) to invest the monies of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, and to lend any such monies to any other charitable companies, institutions, societies, foundations or associations having objects altogether or in part similar to those of the Company or to any individuals or firms for any purpose similar to such objects and that on such terms as to security or otherwise as the Company thinks fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided;
- (NN) to make donations to any other charitable body incorporated or unincorporated having objects similar to those of the Company;
- (OO) to purchase or otherwise acquire and undertake all or any of the property, assets, liabilities and engagements of anyone or more of the charitable associations, foundations, institutions, companies, societies or bodies with which this Company is authorised to cooperate or federate;
- (PP) to amalgamate with any charitable body incorporated or unincorporated, having objects altogether or in part similar to those of the Company;
- (QQ) to procure the Company to be recognised in any foreign country or place; and

(RR) to carry on any other business and do all such other things as are necessary or incidental to or in furtherance of the attainment of the objects of the Company or any of them.

### **Income and Property**

- 4 The income and property of the Company shall be applied solely towards the promotion of its objects as set forth in these Articles and with the exception of the payments made in accordance with articles 4 (a) to (e) and article 56 hereof, no portion thereof shall otherwise be paid or transferred by way of profit, whether directly or indirectly in the form of a dividend, gift, bonus or otherwise, to any Member or Director. Provided that nothing herein shall, subject to the provisions of Chapter 9 of the Charities Act:
- (a) prevent any payment in good faith by the Company of a reasonable and proper remuneration to any Member, employee, officer, agent or servant of the Company including any person or firm engaged in any professional capacity. Payment can also be made to any member of the Board, including the Chief Executive and Chair for any services rendered to the Company (subject to the provisions of article 56) but he or she shall not be permitted to take part in any discussion or vote relating to the terms on which he or she is to be employed or remunerated by the Company;
  - (b) prevent any payment in good faith by the Company of interest on money lent by any Member or its Directors at a reasonable and proper rate per annum and not exceeding the base lending rate for the time being of the Company's bankers; or reasonable and proper rent for premises let by any Member to the Company;
  - (c) prevent any payment in good faith by the Company to any Director of out-of-pocket expenses or for proper rent for premises let to the Company;
  - (d) prevent any payment in good faith by the Company to a company of which a Member or a Director may be a Member holding not more than one-hundredth part of the capital of such company, and Members and Directors shall not be bound to account for any share of profits which they may receive in respect of any such payment; and
  - (e) prevent the gratuitous distribution among or sale at less than cost to Members of any books, pamphlets or other publications relating to all or any of its objects.

### **Liability of Members**

- 5 The liability of the Members is limited.
- 6 Every Member undertakes to contribute such amount as may be required (not exceeding One Pound) to the assets of the Company, if it should be wound up while he/she is a Member, or within one year after he/she ceases to be a Member, for payment of the debts and liabilities of the Company contracted before he/she ceases to be a Member, and of the costs, charges and expenses of winding-up, and for the adjustment of the rights of the contributors among themselves.

### **Winding-up**

- 7 If upon the winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members but shall be given or transferred to some other charitable institution or institutions having objects which are similar to the objects of the Company and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Company under or by virtue of article 4 hereof, such institution or institutions to be determined

by the Members at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some other charitable object.

### **Company Members**

- 8 The following bodies are eligible to become Company Members of the Company:
- (a) a regional college designated as such under section 7A of the 1992 Act; and
  - (b) a body specified as either “regional boards” or “other regional strategic bodies” in Schedule 2A to the 2005 Act.
- 9
- (a) The application of a person for membership shall be in writing in the form set down by the Board and shall be signed by the applicant and delivered to the Secretary at the registered office of the Company.
  - (b) The Secretary shall place the application before the Board at the next meeting thereof to be held after receipt of the application.
  - (c) No person shall become a Company Member unless its admittance has been approved by the Board and it is eligible to be a member under article 8.
  - (d) The Board may in its absolute discretion and without assigning any reason therefore, admit or refuse any applicant’s request, and shall not be bound to assign any reason for refusing to admit any person to membership of the Company.
  - (e) The Secretary shall within seven days of the decision of the Board notify in writing the decision to the applicant and if the decision is to admit it as a Company Member shall enter the name of that person in the Register of Members of the Company whereupon that person shall become a Company Member. Upon becoming a Company Member that person shall become liable for payment to the Company of such annual levy or subscription as the Board may determine.
  - (f) In each year the Board shall fix the subscription or subscriptions to be paid by each Company Member. The Board may fix a different level of subscription for each Company Member provided it does so on the basis of fair and transparent criteria.
- 10 A Company Member and, if applicable, any successor body shall cease to be a Company Member upon:
- (a) the Board resolving that it has failed to meet the eligibility criteria set out in article 8; or
  - (b) a resolution being passed at a meeting of the Board removing it as a Company Member; provided that such resolution is passed by not less than three-fourths of the Board present at a meeting called for the purposes of which such Company Member shall have been given not

less than fourteen days' notice in writing and at which it shall have been given the right to attend and to be heard; or

- (c) its passing a resolution to wind up or having a winding up petition presented against it or a receiver being appointed in respect of any of its assets;
- (d) it being assigned to a regional strategic body under section 7C of the 2005 Act.

11 Membership of the Company shall not be transferable and a Company Member is not able to resign as such without the prior consent of the Board.

### **Associate Members**

12 The Board may invite any institution or body which does not fulfil the eligibility criteria in article 8 to become an "Associate Member" and upon acceptance that institution or body shall be admitted to membership.

13 Upon becoming an Associate Member that member shall become liable for payment to the Company of such annual levy or subscription as the Board may determine. In each year the Board shall fix the subscription or subscriptions to be paid by each Associate Member. The Board may fix a different level of subscription for each Associate Member provided it does so on the basis of fair and transparent criteria.

14 At the date of adoption of these Articles the following shall be deemed to be Associate Members:

Sabhal Mor Ostaig  
Newbattle Abbey College  
Scotland's Rural College

15 An Associate Member shall cease to be an Associate Member upon:

- (a) its name being removed from the Register of Members of the Company, following the receipt by the Company of at least 90 days' notice in writing, intimating that it resigns as an Associate Member such notice to be accompanied by a certified true copy of the resolution of the governing body of that Associate Member resolving to withdraw; or
- (b) a resolution being passed at a meeting of the Board removing it as an Associate Member; provided that such resolution is passed by not less than three-fourths of the Board present at a meeting called for the purposes of which such an Associate Member shall have been given not less than fourteen days' notice in writing and at which it shall have been given the right to attend and to be heard; or
- (c) its passing a resolution to wind up or having a winding up petition presented against it or a receiver being appointed in respect of any of its assets.

16 Associate Members shall have the same rights under these Articles as Company Members except that Associate Members shall have no right to vote; no right to convene a meeting under article 20 or the provisions of the 2006 Act; no right to participate in the distribution of any assets on a winding-up, and no right to nominate or vote upon a person becoming a Director of the Company.

17 Associate Membership of the Company shall not be transferable.

### **General meetings**

- 18 All general meetings shall be called general meetings.
- 19 The Board may, whenever it thinks fit, convene a general meeting. A general meeting shall also be convened by the Board after receipt of a requisition from Company Members, pursuant to the provisions of the Act. If at any time there are not within the United Kingdom sufficient Company Members capable of acting to form a quorum, any Director or any two members of the Company (or, if there is only a sole member of the Company, such sole member of the Company) may convene a general meeting in the same manner as nearly as possible to that in which meetings may be convened by the Board.

### **Notice of General Meetings**

- 20
- (a) A general meeting shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of Company Members having a right to attend and vote being a majority together holding not less than ninety per cent of the total voting rights at the meeting of all the Company Members.
  - (b) The notice shall specify the time, date and place of the meeting and the general nature of the business to be transacted.
  - (c) The notice shall be given to all the Members of the Company, the Directors and to the Auditors.
- 21 The accidental omission to give notice of a meeting to, or the non-receipt of notice by any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 22 In exceptional circumstances (for example to deal with extreme adverse weather conditions), the Board may postpone a general meeting by notice in writing to Members (which will be valid if issued before the date of the scheduled meeting) to a later date specified in such notice. The postponed meeting shall be deemed to be a properly called meeting of which valid notice has been given and the original notice as to business to be transacted shall remain valid.

### **Proceedings at General Meetings**

- 23 No business shall be transacted at any general meeting unless a quorum of Company Members is present at the time when the meeting proceeds to business. Save as herein otherwise provided one third of the persons entitled to vote upon the business to be transacted, each being a Company Member or a proxy for a member of the Company or a duly authorised representative of a Company Member, shall be a quorum, or if at the time the total number of Company Members is not a multiple of three, the quorum shall be determined by dividing the number of Company Members by three and rounding up to the nearest whole number.
- 24 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Board may determine. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall stand adjourned to such time and place as the Board may determine. If the meeting has been convened upon the requisition of Company Members, and no quorum is present within half an hour from the time appointed for the meeting, then the meeting shall be dissolved.

- 25 The Chair or, in his/her absence, some other Director nominated by the Board shall preside as chair of the meeting but, if neither the Chair nor such other Director is present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairperson of the meeting and, if there is only one Director present and willing to act, he/she shall be chairperson of the meeting.
- 26 If no Director is willing to act as chairperson of the meeting, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Company Members present and entitled to vote shall choose one of their number to be chairperson of the meeting.
- 27 A Director shall be entitled to attend and speak at any general meeting.
- 28 The chairperson of the meeting may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business, shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted.
- Save as aforesaid, it shall not be necessary to give any such notice of an adjournment or of the business to be transacted at any adjourned meeting.
- 29 A resolution put to the vote of any general meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of a show of hands, duly demanded. Subject to the provisions of these Articles, a poll may be demanded:
- (a) by the chairperson of the meeting; or
  - (b) by at least two Company Members (or, if there is only a sole member of the Company, such sole member of the Company) having the right to vote at the meeting present in person or by proxy; or
  - (c) by a Company Member or Company Members present in person and representing not less than one-tenth of the total voting rights of all the Company Members;
- and a demand by a representative on behalf of a Company Member or by a person as proxy for a Company Member shall be the same as a demand by the Company Member.
- 30 Unless a poll is duly demanded, a declaration by the chairperson of the meeting that a resolution has been carried or lost and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 31 The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the chairperson of the meeting, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 32 If a poll is duly demanded it shall be taken in such manner as the chairperson of the meeting directs. The result of the poll which shall be declared at such time and place as the chairperson of the meeting may direct, shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 33 In the case of an equality of votes, whether on a show of hands or on a poll the chairperson of the meeting shall not be entitled to a casting vote in addition to any other vote he/she may have.

- 34 A poll demanded on the election of a chairperson of the meeting, or any question of adjournment shall be taken forthwith.
- 35 A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairperson of the meeting directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 36 No notice needs to be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

### **Votes of Company Members**

- 37 On a show of hands every Company Member shall have one vote, which may be given either via its duly authorised representative at the meeting or by proxy. On a poll, Company Members represented by proxy or by duly authorised representative shall have one vote. A Company Member so represented is deemed present in person at such meeting.
- 38 With regard to the instrument appointing a proxy, if the appointer is a corporation or other organisation, it must be signed on its behalf by a duly authorised officer.
- 39 Any corporation or other organisation which is a Company Member may nominate in writing such person as it thinks fit to act as its representative at any meeting of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of the body which he represents as that body could exercise if it were an individual member of the Company. Such body shall for the purposes of these presents be deemed to be present in person at any such meeting if the person so authorised is present thereat.
- 40 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting shall be valid and counted. Any objection made in due time shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive.
- 41 An instrument appointing a proxy shall be in writing, in a form determined by the Board.
- 42 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarised copy of such authority or in some other way approved by the Board may:
- (a) be deposited at the Company's registered office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - (b) in the case of an appointment contained in an electronic communication where an address has been specified for the purpose of receiving electronic communication:
    - (i) in the notice convening the meeting; or
    - (ii) in any instrument of proxy sent out by the Company in relation to the meeting; or

- (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to that meeting;

be received at such address not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- (c) in the case of a poll taken more than forty eight hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than twenty four hours before the time appointed for the taking of the poll; or
- (d) where the poll is not taken forthwith but is taken not more than forty eight hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairperson of the meeting or to the secretary or to any Director;

and an instrument of proxy which is not deposited or delivered or received in a manner so permitted shall be invalid. In this regulation "address" in relation to electronic communications includes any number or address used for the purpose of such communications. In calculating periods mentioned in this article 42 no account shall be taken of any part of a day that is not a working day.

43 The instrument appointing a proxy shall confer authority to demand or join in demanding a poll.

44 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice of the determination was received by the Company at its registered office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

### **Directors**

45 With effect from the date of adoption of these Articles, the number of Directors shall not be more than eleven and shall not be less than five.

46 No Director shall vacate his/her office or be ineligible for re-appointment as a director nor shall any person be ineligible for appointment as a Director by reason only of his/her having attained any particular age.

### **Appointment and Retirement of Directors**

#### **Composition**

47 With effect from the date of adoption of these Articles, the Board shall consist of up to eleven Directors appointed (or deemed appointed) as follows:

47.1 The Chief Executive appointed under article 81; and

47.2 up to ten persons made up of the following:

47.2.1 senior persons who are on the board of a Company Member and who are nominated by the boards of such Company Members from amongst their number; and/or

- 47.2.2 persons who hold the position of a senior manager (or equivalent) in a Company Member, and who have been selected for office by the Board; and/or
- a.2.3 persons appointed by the Board taking account of the criteria set out below:
- (a) the need to have an appropriate balance of skills and experience on the Board including commercial and business experience and experience in education;
  - (b) the strategic aims of the Board; and
  - (c) such other objective criteria as the Board may set from time to time.

48 Nominations and/or selections made under article 47 shall be conducted in accordance with rules made by the Board after consultation with such persons as appear to be representative of each category of persons entitled to nominate or select under article 47 and rules so made may be substituted or varied by further such rules.

#### **Term of Office**

49 Subject to article 50:

- (a) all Directors appointed pursuant to article 47 (other than the Chief Executive), shall hold office for an initial period of four years (or such lesser period as the Board may set on his or her appointment). On expiry of that period each Director shall then be eligible to be considered for re-appointment for a further period of four years (or such lesser period as the Board may set on his or her re-appointment). The maximum period of office for such Directors shall be eight years;
- (b) the Chief Executive shall hold office until his or her cessation of employment as Chief Executive.

#### **Disqualification and removal of Directors**

50 The office of a Director shall be automatically vacated if:

- (a) he ceases to be a Director by virtue of any provision of the Act or he shall become prohibited by law from being a Director; or
- (b) he ceases to be a trustee under the terms of the Charities Act; or
- (c) that Director, in the reasonable opinion of the Board, commits a serious breach or a series of persistent breaches of the Act or the Charities Act or any obligation to the Company and the Board resolve that his or her office is vacated; or
- (d) that Director, in the reasonable opinion of the Board, commits any act of fraud or dishonesty or has acted or behaved in any manner which brings or is likely to bring the Company into disrepute or is materially adverse to the interests of the Company and the Board resolve that his or her office is vacated; or
- (e) he/she becomes bankrupt or apparently insolvent, be sequestrated or have a receiving order made against him/her, or grant a trust deed for the benefit of his/her creditors, or shall compound with his/her creditors generally; or
- (f) he/she is, or may be, incapacitated by mental disorder or physical illness; or

- (g) he/she resigns his/her office by notice left at the Company's registered office; or
- (h) he/she has been absent without reasonable cause or permission of the Board from three successive meetings of the Board and the Board resolve that his/her office be vacated; or
- (i) he/she becomes unable or unfit otherwise to discharge his/her functions as a Director; or
- (j) he/she is removed from office pursuant to article 51; or
- (k) he/she ceases to be employed by a member of the Company or hold the position he/she did within a member of the Company as he/she did on appointment as a Director; or
- (l) he/she is appointed pursuant to article 81, on the date of cessation of employment as Chief Executive; or
- (m) his/her term of office expires.

51 The Company may by Ordinary Resolution of which special notice has been given in accordance with section 168 of the Act, remove any Director before the expiration of his/her period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director.

#### **Powers of the Board**

- 52 Subject to the provisions of the Act, the Charities Act and these Articles and to any directions given by Special Resolution, the business of the Company shall be managed by the Directors, who may exercise all the powers of the Company. No alteration of these Articles and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the Directors by these Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Directors.
- 53 The Board shall have power from time to time to adopt and make, alter or revoke, bye-laws for the regulation of the Company and otherwise for the furtherance of the purposes for which the Company is established, provided that such bye-laws are not contrary to the wording and/or spirit of these Articles or contrary to the Act, the Charities Act or other regulations or guidelines concerning the Company. All such bye-laws for the time being in force shall be binding upon all members of the Company until the same shall cease to have effect. No members of the Company shall be absolved from any such bye-laws by reason of his/her not having received a copy of the same, or of any alterations or additions thereto, or having otherwise no notice of them.

#### **Delegation of Directors' Powers**

- 54 The Board may delegate any of their powers to any committee consisting of two or more Directors. Any such delegation may be made subject to any conditions the Board may impose, and either collaterally with or to the exclusion of their own powers, and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more Directors shall be governed by these Articles regulating the proceedings of the Board, so far as they are capable of applying save that the Board may determine the quorum for meetings of any committee. All acts and proceedings of any such committee shall be reported to the Board as soon as possible.
- 55 The Board may determine from time to time the membership of any committee of the Board. The members of any committee may be chosen from amongst the Directors together with such other persons as may be co-opted to serve on any such committee as the Board may decide. Upon establishing a committee the Board shall determine whether co-opted members shall have the right to vote and whether

they shall be counted towards the quorum. The duration of membership of a committee member shall be specified in the letter of appointment of such a member. The Board has discretion to terminate the membership of any committee member. No committee member shall be entitled to remuneration in respect of his/her position as such a member, but shall be entitled to be paid all travelling and other expenses properly incurred by him/her in carrying out his/her duties as a member of any committee.

### **Remuneration of Directors**

- 56 The Directors may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the Directors, at general meetings or otherwise in connection with the discharge of their duties
- 57 Only a minority of the Directors (which shall include the Chief Executive and the Chair) shall be entitled to the payment in good faith of any reasonable and proper remuneration subject to the provisions of Chapter 9 of the Charities Act whether in respect of his or her office as Director, as the holder of any position of office or for any services provided to the Company.

### **Directors' Interests**

- 58 A Director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his/her interest to the other Directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 59 A Director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his/her interest to the other Directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 58.
- 60 Subject, where applicable, to the disclosures required under article 58 and article 59, a Director shall be entitled to vote in respect of any proposed or existing transaction or arrangement with the Company in which he/she is interested and if he/she shall do so his/her vote shall be counted and he/she shall be taken into account in ascertaining whether a quorum is present.
- 61 A Director need not declare an interest under article 58 or article 59 as the case may be:
- (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (b) of which the Director is not aware, although for this purpose a Director is treated as being aware of matters of which he/she ought reasonably to be aware;
  - (c) if, or to the extent that, the other Directors are already aware of it, and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware; or
  - (d) if, or to the extent that, it concerns the terms of his/her service contract that have been, or are to be, considered at a Board meeting.
- 62 The Directors may, in accordance with the requirements set out in these Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his/her duty under section 175 of the Act to avoid conflicts of interest ('Conflict').
- 63 Any authorisation under these Articles will be effective only if:

- (a) the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
  - (b) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and
  - (c) the matter was agreed to without his/her voting or would have been agreed to if his/her vote had not been counted.
- 64 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised;
  - (b) be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine;
  - (c) be terminated or varied by the Directors at any time.
- This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 65 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his/her involvement in the Conflict otherwise than as a Director of the Company and in respect of which he/she owes a duty of confidentiality to another person the Director is under no obligation to:
- (a) disclose such information to the Directors or to any director or other officer or employee of the Company;
  - (b) use or apply any such information in performing his/her duties as a Director; where to do so would amount to a breach of that confidence.
- 66 Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the Director
- (a) is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
  - (b) is not given any documents or other information relating to the Conflict;
  - (c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 67 Where the Directors authorise a Conflict:
- (a) the Director will be obliged to conduct himself/herself in accordance with any terms imposed by the Directors in relation to the Conflict;
  - (b) the Director will not infringe any duty he/she owes to the Company by virtue of sections 171 to 177 of the Act provided he/she acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

- 68 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he/she derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 69 If a question arises at a meeting of Directors or at a meeting of a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairperson of the meeting; his/her ruling in relation to any Director other than himself/herself shall be final and conclusive.

### **Proceedings of Directors**

- 70 Subject to the provisions of these Articles and the Charities Act, the Board may regulate their proceedings as they think fit. Any Director shall be entitled to call a meeting of the Board. In addition, the Chief Executive or the Secretary shall call a meeting of the Board if so requested by either any Director or any two members of the Company (or, if there is only a sole member of the Company, at the request of such sole member of the Company). A Director who is absent from the United Kingdom, shall only be entitled to notice of a meeting at his/her address in the United Kingdom. The Board shall meet at least four times in each year.
- 71 The quorum for the transaction of the business of the Board may be fixed by the Directors and unless so fixed at any other number shall be one third of all Directors, or if at the time the total number of Directors is not a multiple of three, the quorum shall be determined by dividing the number of Directors by three and rounding up to the nearest whole number. Subject to the provisions of these Articles all questions arising at a meeting of the Board shall be decided by a majority of votes. In the case of an equality of votes the chairperson of the meeting shall not have the casting vote.
- 72 Subject to the provisions of these Articles a Director may participate in a meeting of the Board or a committee of Directors by means of a conference telephone or similar communications equipment whereby all the Directors participating in the meeting can hear each other and the Directors participating in a meeting in this manner shall be deemed to be present in person at such meeting.
- 73 The continuing Directors or a sole continuing Director may act notwithstanding any vacancies in their number, but, if the number of Director is less than the minimum number fixed pursuant to article 45, the continuing Director or Directors may act only for the purpose of filling vacancies or of calling a general meeting or of admitting persons to membership of the Board.
- 74 All acts bona fide done by a meeting of the Board, or of a committee of Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.
- 75 A resolution in writing consented to and signed by a majority of the Directors entitled to receive notice of a meeting of the Board or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of the Board or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the like form each consented to and signed by one or more Directors, which consent and signature may be evidenced by letter, e-mail or otherwise as the Directors may from time to time resolve to permit. Electronic mail from a director confirming consent shall be sufficient for the foregoing purposes notwithstanding the absence of a handwritten signature.

- 76 The Company may by Ordinary Resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Articles prohibiting a director from voting at a meeting of the Board or of a committee of Directors.
- 77 Where proposals are under consideration concerning the appointment of two or more Directors to offices or employment with the Company or any body corporate in which the Company is interested, the proposals shall be divided and considered in relation to each Director separately and (provided he/she is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his/her own appointment.
- 78 If a question arises at a meeting of the Board or of a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairperson of the meeting and his/her ruling in relation to any Director other than himself shall be final and conclusive.
- 79 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for money paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Board shall from time to time by resolution determine.

#### **Chair and Vice-Chair**

80

- (a) The Board may appoint one of their number to be the Chair of the Board for a term of up to four years (to be determined by the Board) and may remove him/her at any time from that office. A Chair may be re-appointed for one further term of up to four years (to be determined by the Board).
- (b) The Board may appoint one of their number to be the Vice Chair of the Board for a term of up to four years (to be determined by the Board) and may remove him/her at any time from that office. A Vice Chair may be re-appointed for one further term of up to four years (to be determined by the Board).

#### **Chief Executive**

- 81 The Board may appoint a Chief Executive. Subject to article 50 (disqualification and removal), the chief executive of the Company by virtue of his or her appointment, shall be a member of the Board and as such shall have, except as restricted by these Articles, equal status with all other Directors. The Company may enter into an agreement or arrangement with the Chief Executive for his or her employment by the Company or for the provision by him or her of any services outside the scope of the ordinary duties of a Director. Subject to the provisions of Chapter Nine of the Charities Act, any such appointment, agreement or arrangement may be made upon such terms as the Board determines and they may remunerate the Chief Executive for his or her services as it thinks fit.

#### **Advisory Forum**

- 82 The Board shall have regard to the views of the advisory forum (whose membership will be drawn from the Principals of Company Members) known as the Principals' Group.

#### **Secretary**

- 83 Subject to the provisions of the Act, the secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

**Minutes**

- 84 The Directors shall cause minutes to be made in the books kept for the purpose of all appointment of officers of the Company and of senior employees; and of all proceedings at meetings of the Company and of the Directors and of any committees, including the names of all present at each meeting thereof.

**The Seal**

- 85 The Board shall provide for the safe custody of the seal, which shall only be used by the authority of the Board or of a committee of Directors authorised by the Board. Every instrument to which the seal shall be affixed shall be signed either by a Director and by the secretary or by two Directors. Accounts
- 86 The Board shall cause accounting records to be kept in accordance with the Act. Such records shall, subject as provided in the Act, be kept at the registered office of the Company or at such other place as the Directors think fit and shall at all times be open to inspection by any of the Directors. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions and regulations the accounts and statutory books of the Company or any of them shall be open to the inspection of the member of the Company. No member of the Company shall have any right of inspecting any accounting records or other books or documents of the Company except as conferred by statute or authorised by the Board or by Ordinary Resolution of the Company.

**Audit**

- 87 Auditors shall be appointed and their rights and duties regulated in accordance with the Act.
- 88 True accounts shall be kept of the sum of money received and expended by the Company, the matters in respect of which such receipts and expenditure take place and of the property, assets and liabilities of the Company. Once at least in every calendar year the accounts of the Company shall be examined and the correctness of the balance sheet ascertained by the Auditors appointed under the preceding article.

**Notices**

- 89 Any notice to be given to or by any person pursuant to these Articles shall be in writing including a notice calling a meeting of the Board and/or shall be given using electronic communications to an address notified for that purpose to the person giving the notice. For these purposes and the purposes of the following article, "address" in relation to electronic communications, includes any number or address used for the purposes of such communications.
- 90 The Company may give any notice to or issue or send any communication or document to a member of the Company or to his representative either personally or by sending it by post in a prepaid envelope addressed to the member of the Company or to his/her representative at his/her registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Company by the member of the Company. A member of the Company whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to them or an address to which notices may be sent using electronic communication shall be entitled to have notices given to them at that address, but otherwise no such member of the Company shall be entitled to receive any notice from the Company.
- 91 A member of the Company present, either in person via an authorised representative or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

- 92 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall, unless the contrary is proved, be deemed to be given at the expiration of forty-eight hours after the envelope containing it was posted or in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.
- 93 A notice may be served by any member of the Company upon the Company either by leaving it at the Company's registered office or by sending it through the post in a pre-paid letter addressed to the Company at its registered office.
- 94 Subject to any rule of law, a notice shall be deemed to be fully served or given if it is transmitted by post or electronic mail.

### **Indemnity**

- 95 Subject to the provisions of the Act and the Charities Act, but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer of the Company shall be indemnified out of the assets of the Company against any liability, incurred by him/her as a Director or other officer of the Company in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour or in which he/she is acquitted or in which the charge is found not proven or in connection with any application in which relief is granted by him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
- 96 The Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise or purported exercise of their powers or otherwise in connection with their duties, powers or offices in relation to the Company.