

The Companies Act 2006

Community Interest Company Limited by Guarantee

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**Memorandum of Association**

**of**

**NORTH HOWE TRANSITION TOUN COMMUNITY INTEREST COMPANY**

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**The Companies Act 2006**  
**Community Interest Company Limited by Guarantee**  
**Memorandum of Association**

**of**

**NORTH HOWE TRANSITION TOUN COMMUNITY INTEREST COMPANY**

Each subscriber to this Memorandum of Association wishes to form a company under the Companies Act 2006 and agrees to become a member of the Company.

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*Name of each subscriber*

*Authentication by each subscriber*

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Leilani Van Koten

Neil Stoddart

Crispin Wingfield Hayes

Hayley Mills

Hamid Van Koten

Clare Hamilton-Sturdy

Andrew McKie

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Dated

The Companies Act 2006

Community Interest Company Limited by Guarantee

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**Articles of Association**

**of**

**NORTH HOWE TRANSITION TOUN COMMUNITY INTEREST COMPANY**

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**The Companies Act 2006  
Articles of Association  
of**

**NORTH HOWE TRANSITION TOUN COMMUNITY INTEREST COMPANY**

**INTERPRETATION**

**1. Defined Terms**

- 1.1 The interpretation of these Articles is governed by the provisions set out in the Schedule at end of the Articles.

**COMMUNITY AND INTEREST COMPANY AND ASSET LOCK**

**2. Community Interest Company**

- 2.1 The Company is to be a community interest company.

**3. Asset Lock**

- 3.1 The Company shall not transfer any of its assets other than for full consideration.
- 3.2 Provided the conditions in Article 3.3 are satisfied, Article 3.1 shall not apply to:
- (a) the transfer of assets to any specified asset-locked body, or (with the consent of the Regulator) to any other asset-locked body; and
  - (b) the transfer of assets made for the benefit of the Community other than by way of a transfer of assets into an asset-locked body.
- 3.3 The conditions are that the transfer of assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles.
- 3.4 If:
- 3.4.1 the Company is wound up under the Insolvency Act 1986; and
  - 3.4.2 all its liabilities have been satisfied
- any residual assets shall be given or transferred to the asset-locked body specified in Article 3.5 below.
- 3.5 For the purposes of this Article 3, the following asset-locked body is specified as a potential recipient of the Company's assets under Articles 3.2 and 3.4:

Name: Monimail Tower Project

Charity Registration Number: SCO 01481

Principal Office Address: Monimail Tower Project  
Monimail  
Letham  
Fife KY15 7RJ

#### **4. Not for profit**

- 4.1 The Company is not established or conducted for private gain: any profits or assets are used principally for the benefit of the Community.

### **OBJECTS, POWERS AND LIMITATION OF LIABILITY**

#### **5. Objects**

- 5.1 Subject to Article 5.2 (Landfill Communities Fund), the objects of the Company are to carry on activities which benefit the Community and in particular (without limitation) to:-

- 5.1.1 to raise awareness of the issues associated with the twin challenges of Peak Oil and Climate Change and the consequent need to develop a low carbon, sustainable future through ethical, social, cultural, economic, environmental and community action;
- 5.1.2 to promote, encourage and support the development of education and research concerning areas affected by resource depletion;
- 5.1.3 to provide the membership, other groups and individuals with the encouragement and support necessary to make the transition to a low carbon, sustainable, ethical future;
- 5.1.4 to create and help implement an Energy Descent Action Plan for the area covered by the Company;
- 5.1.5 to support and encourage local action on Peak Oil and Climate Change;
- 5.1.6 to support and work with other Transition Towns and similar community-led initiatives; and
- 5.1.7 to engage with other organisations, including statutory, voluntary and business, where appropriate, in pursuit of its objectives.

#### **5.2 Landfill Communities Fund**

- 5.2.1 The objects of the Company as set out in Article 4 shall not be carried on for the benefit of (a) any landfill site operator who may provide funding or other financial support (either directly or through a Distributive Environmental Body ("DEB")) to the Company under the Landfill Communities Fund and who may thereafter claim tax credit in accordance with the Landfill Tax Regulations 1996 (the "Landfill Regulations"); or (b) any contributing third party (as defined in the Landfill Regulations)
- 5.2.2 In the event of winding up or dissolution of the Company, the balance of any Landfill Communities Fund money held by the Company shall be transferred to a Environmental Body enrolled with ENTRUST (or any successor of ENTRUST).

#### **6. Powers**

- 6.1 To further its objects the Company may do all such lawful things as may further the Company's objects and, in particular, but, without limitation, may borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds.

## **7. Liability of members**

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the Company in the event of its being wound up while he or she is a member or within one year after he or she ceases to be a member, for:

- 7.1 payment of the Company's debts and liabilities contracted before he or she ceases to be a member;
- 7.2 payment of the costs, charges and expenses of winding up; and
- 7.3 adjustment of the rights of the contributories among themselves.

## **DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

## **8. Directors' general authority**

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

## **9. Members' reserve power**

- 9.1 The members may, by special resolution,
- 9.1.1 alter the scope of the Directors' functions; or
- 9.1.2 require the Directors to act in a specified manner.
- 9.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

## **10. Chair**

The Directors shall appoint a Director to hold the position of Chair at all meetings of Directors.

## **11. Directors may delegate**

- 11.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles to such person or committee as they think fit.
- 11.2 Any delegation under Article 11.1, may only authorise further delegation of the Directors' powers by any person to whom they are delegated with prior approval of the Directors. Providing always that the total number of people to whom the Directors have delegated their functions at any one time must not:-
- 11.2.1 where the delegates are members, exceed 25% in number of the Directors; or

- 11.2.2 where the delegates are non-members, exceed 15% in number of the Directors.
- 11.3 The Directors must not delegate to any person who is not a Director any decision connected with:-
- 11.3.1 the taking of decisions by Directors; or
- 11.3.2 the appointment of a Director or the termination of a Director's appointment.
- 11.4 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **12. Committees**

- 12.1 Two or more Directors are a "committee" if the Directors have:-
- 12.1.1 delegated any of the Director's functions to them; and
- 12.1.2 indicated that they should act together in relation to that function.
- 12.2 The provisions of the Articles about how the Directors take decisions shall apply, as far as possible, to the taking of decisions by committees.
- 12.3 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **13. Directors to take decisions collectively**

- 13.1 Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 19.
- 13.2 Except where the Articles expressly provide otherwise, provisions of the Articles about how the Directors take decisions do not apply:-
- 13.2.1 when the Company only has one Director; or
- 13.2.2 to decisions delegated to a single Director.

### **14. Calling a Directors' meeting**

- 14.1 Any Director may call a Directors' meeting.
- 14.2 Every Director must be given reasonable notice of a meeting of a Directors' meeting:
- 14.3 Article 14.2 does not require notice to be given:-
- 14.3.1 in Writing;
- 14.3.2 to Directors to whom it is not practicable to give notice, having regard to the urgency and importance of the matters to be decided, or who have waived their entitlement to notice.

- 14.4 Every notice calling a Directors' meeting must specify:
- 14.4.1 the place, day and time of the meeting; and
  - 14.4.2 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 14.5 Notice of Directors' meetings may be sent by Electronic Means to an Address provided by the Director for the purpose.

## **15. Participation in Directors' meetings**

- 15.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
- 15.1.1 the meeting has been called and takes place in accordance with the Articles; and
  - 15.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 15.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 15.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **16. Quorum for Directors' meetings**

- 16.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 16.2 The quorum for Directors' meetings is three Directors participating in the meeting and entitled to vote on the matters being considered.
- 16.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- 16.3.1 to appoint further Directors; or
  - 16.3.2 that will enable the members to appoint further Directors.

## **17. Chairing of Directors' meetings**

- 17.1 The Chair, if any, or in his or her absence another Director nominated by the Directors present shall preside as chair of each Directors' meeting.
- 17.2 If the person appointed Chair is for any reason unable or unwilling to chair a particular meeting, the Directors shall appoint another Director to chair that process.
- 17.3 The Directors may terminate an appointment made under Article 10 or this Article 17 at any time.
- 17.4 A Director appointed under Articles 10 and/or 17 shall be known as the Chair for as long as such appointment lasts. The Directors shall take steps to procure that no

one Director shall hold the position of chair for a period in excess of three consecutive years.

## **18. Decision making at a meeting**

- 18.1 Questions arising at a Directors' meeting shall be decided by a majority of votes. In case of an equality of votes, the Chair shall have a second or casting vote.
- 18.2 In all proceedings of Directors each Director must not have more than one vote.
- 18.3 The Directors take a majority decision if:
- 18.3.1 every Director has been made aware of a matter to be decided by the Directors;
  - 18.3.2 all the Directors who indicate that they wish to discuss or vote on the matter have had a reasonable opportunity to communicate their views on it to each other; and
  - 18.3.3 a majority of those Directors vote in favour of a particular conclusion on that matter at a meeting of Directors.
- 18.4 Article 18.3.1 does not require communication with any Director with whom it is not practicable to communicate, having regard to the urgency and importance of the matter to be decided.
- 18.5 A Director who is an alternate director shall be entitled in the absence of his appointer to a separate vote on behalf of his appointer in addition to his own vote.
- 18.6 Except as provided by Articles 18.1 and 18.5, in all proceedings of Directors, each Director must not have more than one vote.

## **19. Decisions without a meeting**

- 19.1 The Directors may take a unanimous decision without a Directors' meeting by indicating to each other by any means, including without limitation by Electronic Means, that they share a common view on a matter. Such a decision may, but need not, take the form of a resolution in Writing, copies of which have been signed by each Director or to which each Director has otherwise indicated agreement in Writing.
- 19.2 A decision which is made in accordance with Article 19.1 shall be as valid and effectual as if it had been passed at a meeting duly convened and held.

## **20. Conflicts of interest**

- 20.1 Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a Conflict of Interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already.
- 20.2 If any question arises as to whether a Director has a Conflict of Interest, the question shall be decided by a majority decision of the other Directors.

- 20.3 Whenever a matter is to be discussed at a meeting or decided in accordance with Article 19 and a Director has a Conflict of Interest in respect of that matter then, subject to Article 20.5, he or she must:
- 20.3.1 remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;
  - 20.3.2 not be counted in the quorum for that part of the meeting; and
  - 20.3.3 withdraw during the vote and have no vote on the matter.
- 20.4 When a Director has a Conflict of Interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Company by withholding confidential information from the Company if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her.
- 20.5 The Directors have power to authorise a Director to be in a position of Conflict of Interest provided:
- 20.5.1 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 20.3;
  - 20.5.2 in authorising a Conflict of Interest, the Directors can decide the manner in which the Conflict of Interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a Conflict of Interest can participate in a vote on the matter and can be counted in the quorum;
  - 20.5.3 the decision to authorise a Conflict of Interest can impose such terms as the Trustees think fit and is subject always to their right to vary or terminate the authorisation; and
- 20.6 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 20.5 then, even if he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed.
- 20.7 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 20.5 (subject to any limits or conditions to which such approval was subject).

## **21. Directors' Discretion to Make Further Rules**

- 21.1 Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions.
- 21.2 The Directors must ensure that any rule which they make about how they take decisions is communicated to all persons who are Directors while that rule remains in force.

## **22. Records to be Kept**

- 22.1 The Directors are responsible for ensuring that the Company keeps a record in writing, of:

22.1.1 every unanimous or majority decision taken by the Directors; and

22.1.2 every declaration by a Director of an interest in an actual or proposed transaction with the Company;

such written records of decisions and declarations to be made available to the members for inspection at the next following general meeting of the members.

22.2 Any record kept under Article 22.1 must be kept:

22.2.1 for at least ten years from the date of the decision or declaration recorded in it;

22.2.2 together with other such records; and

22.2.3 in such a way that it is easy to distinguish such records from the Company's other records.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

### **23. Methods of appointing directors**

23.1 Those persons notified to the Registrar of Companies as the first Directors of the Company shall be the first Directors.

23.2 Thereafter, Directors may be appointed:

(a) by ordinary resolution of the Members; or

(b) by a decision of the Directors;

provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with the Articles as the maximum number of Directors.

23.3 No powers to appoint Directors may be given to persons who are not Members which immediately after their exercise could result in the majority of the Directors having been appointed by persons who are not Members.

23.4 In any case where, as a result of death, the Company has no members and no Directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a member.

23.5 For the purposes of Article 23.4, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

### **24. Termination of Director's appointment**

24.1 A person shall cease to be a Director as soon if:

24.1.1 that person ceases to be a member;

- 24.1.2 that person ceases to be a Director by virtue of any provision of the Companies Acts, or is prohibited from being a Director by law;
- 24.1.3 any notice to the Company that that person is resigning or retiring from office as Director takes effect (except that where such resignation or retirement would otherwise lead to the Company having fewer than two Directors, it shall not take effect until sufficient replacement Directors have been appointed);
- 24.1.4 at a general meeting of the Company, a resolution is passed that the Director be removed from office, provided the meeting has invited the views of the Director concerned and considered the matter in the light of such views.
- 24.1.5 a contract under which that person is appointed as a Director of, or personally performs services for, the Company or any of its subsidiaries terminates, and the Directors decide that that person should cease to be a Director;
- 24.1.6 the Directors decide, at a meeting of Directors, that that person should be removed from office, but such a decision shall not be taken unless the person in question has been given:
- (a) at least fourteen clear days' notice in writing of the proposal to remove that person from office, specifying the circumstances alleged to justify removal from office; and
  - (b) a reasonable opportunity of being heard by, or of making representations in writing to, the Directors.
- 24.2 No powers to remove Directors may be given to persons who are not Members which immediately after their exercise could result in either:
- 24.2.1 the majority of the remaining Directors having been appointed by persons who are not Members; or
- 24.2.2 the number of Directors removed during the financial year of the Company by persons who are not Members exceeding the number of the remaining Directors,
- but this shall not prevent a Director from appointing, or subsequently removing, an alternate director, if permitted to do so by the Articles.

## **25. Directors' remuneration**

- 25.1 Subject to the Companies Acts, and the Articles, the Company satisfying the community interest test, and any resolution passed under Article 25.2, the Directors may decide the terms (including as to remuneration) on which a Director is to perform Directors' functions, or otherwise perform any service for the Company or any of its subsidiaries.
- 25.2 The Members may by ordinary resolution limit or otherwise specify the remuneration to which any Director may be entitled, either generally or in particular cases.

## **26. Directors' expenses**

26.1 The Company may meet all reasonable expenses which the Directors properly incur in connection with:

26.1.1 the exercise of their powers; and

26.1.2 the performance of any other duty which they owe to, or service which they perform for, the Company and any of its subsidiaries.

## **MEMBERS**

### **BECOMING AND CEASING TO BE A MEMBER**

#### **27. Becoming a member**

27.1 The subscribers to the Memorandum are the first members of the Company.

27.2 Such other persons as are admitted to membership in accordance with the Articles shall be members of the Company.

27.3 No person shall be admitted a member of the Company unless he or she is approved by the Directors.

27.4 Every person who wishes to become a member shall deliver to the Company an application for membership in such form (and containing such information) as the Directors require.

27.5 Membership shall be open to persons living and/or working or operating in the Community and who are supportive of the objects of the Company as set out in the Articles (including its support of the UN Declaration of Human Rights (General Assembly Resolution 217 A (III) of 10 December 1948).

#### **28. Termination of membership**

28.1 Membership is not transferable to anyone else.

28.2 Membership is terminated if:

28.2.1 the member dies or ceases to exist;

28.2.2 otherwise in accordance with the Articles;

28.2.3 at a meeting of the Directors at which at least half of the Directors are present, a resolution is passed resolving that the member be expelled on the ground that his or her continued membership is harmful to or is likely to become harmful to the interests of the Company. Such a resolution may not be passed unless the member has been given at least 14 Clear Days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify expulsion, and has been afforded a reasonable opportunity of being heard by or of making written representations to the Directors. A member expelled by such a resolution will nevertheless remain liable to pay to the Company any subscription or other sum owed by him or her; or

28.2.4 the member ceases to either live or work or operate in the Community.

## **ORGANISATION OF GENERAL MEETINGS**

### **29. General meetings**

- 29.1 The Directors may call a general meeting at any time and shall call a general meeting at least once every four months and shall at such meetings (i) report on the activities of the Directors since the last general meeting; and (ii) advise the proposed activities/agenda for the next following period of four months.
- 29.2 The Directors must call a general meeting on receiving a requisition to that effect in accordance with the Companies Acts.

### **30. Length of notice**

- 30.1 All general meetings must be called by at least 14 Clear Days' notice.

### **31. Contents of notice**

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

### **32. Service of notice**

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

### **33. Attendance and speaking at general meetings**

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

33.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

#### **34. Quorum for general meetings**

34.1 No business may be transacted at any general meeting unless a quorum is present.

34.2 The quorum for a general meeting shall be three persons present who are entitled to vote on the business to be transacted, each person being a Member, a proxy for a Member or a duly appointed representative of a corporate Member.

34.3 If a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall stand adjourned for a minimum of seven days until such time as the Directors determine.

#### **35. Facilitator & Adjournment**

35.1 The Chair shall direct the appointment of a facilitator at each general meeting. The facilitator at any meeting shall be the first member willing to act as such, drawn from an alphabetical list of members of the company (at the time of the meeting) the first name on the list at each meeting being the name which alphabetically follows the name of the person who held position as 'facilitator' at the last general meeting. In the Chair's absence, the Members shall appoint some other Director, to direct the appointment of the facilitator. In the event that no member is willing to act as facilitator, then the Chair shall be deemed facilitator for the purposes of that meeting.

35.2 The facilitator:

35.2.1 may adjourn the meeting from time to time and from place to place, with the consent of a meeting at which a quorum is present; and

35.2.2 shall do so if so directed by the meeting or in accordance with the Articles.

35.3 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.

35.4 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. Otherwise it shall not be necessary to give any such notice.

### **VOTING AT GENERAL MEETINGS**

#### **36. Voting: general**

36.1 Except as required by law, all decisions of the Members at a general meeting shall be made by consensus whereby a simple majority of those members present at the meeting approve the resolution either on a show of hands or by proxy and the remaining members confirm that they do not hold an objection to the passing of the resolution by abstaining from voting (such abstentions to be recorded). In the event that a consensus is not obtained, the resolution the chair shall call an adjourned meeting to allow consideration of the relevant resolution. If a consensus is not

reached at the adjourned meeting, the resolution shall be deemed to be a special resolution (the requisite notice being deemed to have been given) requiring approval either by a show of hands or by proxy of more than 75% of the members present at that adjourned meeting.

36.2 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

36.3 A person who is not a member of the Company shall not have any right to vote at a general meeting of the Company; but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures.

36.4 Article 36.3 shall not prevent a person who is a proxy for a member or a duly Authorised Representative from voting at a general meeting of the Company.

### **37. Votes**

37.1 On a vote on a resolution on a show of hands at a meeting every person present in person (whether a member, proxy or Authorised Representative of a member) and entitled to vote shall have a maximum of one vote.

37.2 On a vote on a resolution on a poll at a meeting every member present in person or by proxy or Authorised Representative shall have one vote.

37.3 A declaration by the facilitator that a resolution has been:

37.3.1 carried;

37.3.2 carried unanimously, or by a particular majority;

37.3.3 lost; or

37.3.4 not carried by a particular majority, and

an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

### **38. Poll votes**

38.1 A poll on a resolution may be demanded:

38.1.1 in advance of the general meeting where it is to be put to the vote; or

38.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

38.2 A poll may be demanded by:

38.2.1 the chair of the meeting;

38.2.2 the Directors;

38.2.3 two or more persons having the right to vote on the resolution; or

38.2.4 any person, who, by virtue of being appointed proxy for one or more members having the right to vote at the meeting, holds two or more votes;

38.3 A demand for a poll may be withdrawn if:

38.3.1 the poll has not yet been taken; and

38.3.2 the chair of the meeting consents to the withdrawal.

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

### **39. Errors and disputes**

39.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

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

### **40. Content of proxy notices**

40.1 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 Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

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

40.3 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.

40.4 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.

### **41. Delivery of proxy notices**

41.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any

adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.

- 41.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- 41.3 A notice revoking the appointment of a proxy only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

## **42. Amendments to resolutions**

- 42.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - 42.1.1 notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine); and
  - 42.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 42.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - 42.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - 42.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 42.3 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

## **WRITTEN RESOLUTIONS**

### **43. Written resolutions**

- 43.1 Subject to Article 43.3, a written resolution of the Company passed in accordance with this Article 43 shall have effect as if passed by the Company in general meeting:
  - 43.1.1 A written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible members.
  - 43.1.2 A written resolution is passed as a special resolution if it is passed by members representing not less than 75% of the total voting rights of eligible members. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.
- 43.2 In relation to a resolution proposed as a written resolution of the Company the eligible members are the members who would have been entitled to vote on the resolution on the circulation date of the resolution.

- 43.3 A members' resolution under the Companies Acts removing a Director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
- 43.4 A copy of the written resolution must be sent to every member together with a statement informing the member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written notices shall be sent to the Company's auditors in accordance with the Companies Acts.
- 43.5 A member signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated Document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
- 43.5.1 If the Document is sent to the Company in Hard Copy Form, it is authenticated if it bears the member's signature.
- 43.5.2 If the Document is sent to the Company by Electronic Means, it is authenticated if it bears the member's signature or if the identity of the member is confirmed in a manner agreed by the Directors or if it is accompanied by a statement of the identity of the member and the Company has no reason to doubt the truth of that statement or if it is from an email Address notified by the member to the Company for the purposes of receiving Documents or information by Electronic Means.
- 43.6 A written resolution is passed when the required majority of eligible members have signified their agreement to it.
- 43.7 A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date.

## **ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS**

### **44. Means of communication to be used**

- 44.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 44.2 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.
- 44.3 A Director may agree with the Company that notices or Documents sent to that Director in a particular way are to be deemed to have been received within an agreed time of their being sent, and for the agreed time to be less than 48 hours.

### **45. Irregularities**

The proceedings at any meeting or on the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or

voting or by reason of any business being considered which is not referred to in the notice unless a provision of the Companies Acts specifies that such informality, irregularity or want of qualification shall invalidate it.

#### **46. Minutes**

- 46.1 The Directors must cause minutes to be made and kept in writing of all proceedings at general meetings of the Company. Draft minutes shall be circulated by the Director appointed to prepare the minutes of the relevant meeting, to the other Directors for approval prior to publication or distribution to the members. The Directors receiving the minutes for approval shall be given a period of at least 48 hours to consider, comment on and/or approve the said draft minutes
- 46.2 Once approved in accordance with Article 46.1, and any such minute, if purported to be signed by the facilitator of the meeting, or by the facilitator of the next succeeding general meeting, shall be sufficient evidence of the proceedings.
- 46.1 The minutes must be kept for at least ten years from the date of the meeting, resolution or decision.

#### **47. Records and accounts**

- 47.1 The Directors shall comply with the requirements of the Companies Acts and any other applicable law as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Regulator of annual reports and accounts.
- 47.2 Subject to Article 47.3, the Company's statutory books and accounting records shall be open to inspection by the Members during usual business hours.
- 47.3 The Company may in general meeting impose reasonable restrictions as to the time at which and the manner in which the statutory books and accounting records of the Company may be inspected by Members.

#### **48. Indemnity**

- 48.1 Subject to Article 0, a Director shall be indemnified out of the Company's assets against any expense which that Director incurs:
  - 48.1.1 in defending civil proceedings in relation to the affairs of the Company (unless judgement is given against the Director and the judgement is final);
  - 48.1.2 in defending criminal proceedings in relation to the affairs of the Company (unless the Director is convicted and the conviction is final);
  - 48.1.3 in connection with any application for relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (unless the Court refused to grant the Director relief, and the refusal is final).

Judgement, conviction or refusal of relief becomes final if the period for bringing an appeal or any further appeal has ended and any appeal brought is determined, abandoned or otherwise ceases to have effect.

48.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

48.3 This article is without prejudice to any other indemnity to which a Director may be entitled.

**49 UN Declaration of Human Rights**

The Company supports the UN Declaration of Human Rights (General Assembly Resolution 217A (III) of 10 December 1948).

**50. Exclusion of model articles**

The relevant model articles for a company limited by guarantee are hereby expressly excluded.

**SCHEDULE**  
**INTERPRETATION**

**Defined terms**

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

Term	Meaning
1.1 “Address”	<b>includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;</b>
1.2 “Articles”	<b>the Company’s articles of association;</b>
1.3 “Asset-Locked Body”	<b>means (i) a community interest company, a charity or a Permitted Industrial and Provident Society; or (ii) a body established outside the United Kingdom that is equivalent to any of those;</b>
1.4 “Chair”	<b>has the meaning given in Article 10;</b>
1.5 “Circulation Date”	<b>in relation to a written resolution, has the meaning given to it in the Companies Acts;</b>
1.6 “Clear Days”	<b>in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;</b>
1.7 “Community”	<b>the community council areas of Giffordtown, Monimail and Collessie which shall include the villages of Monimail, Collessie, Bow of Fife and surrounding areas and outlying settlements;</b>
1.8 “Companies Acts”	<b>means the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company;</b>
1.9 “Company”	<b>North Howe Transition Toun Community Interest Company</b>
1.10 “Conflict of Interest”	<b>any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or might conflict with the interests of the Company;</b>
1.11 “Director”	<b>a director of the Company, and includes any person occupying the position of director, by whatever name called;</b>
1.12 “Document”	<b>includes, unless otherwise indicated, any Document sent or supplied in Electronic</b>

			<b>Form;</b>
1.13	“Electronic Form” “Electronic Means”	and	<b>have the meanings respectively given to them in Section 1168 of the Companies Act 2006;</b>
1.14	“Hard Copy Form”		<b>has the meaning given to it in the Companies Act 2006;</b>
1.15	“Memorandum”		<b>the Company’s memorandum of association;</b>
1.16	“participate”		<b>in relation to a Directors’ meeting, has the meaning given in Article 15;</b>
1.17	“Permitted Industrial Provident Society”	and	<b>an industrial and provident society which has a restriction on the use of its assets in accordance with Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006;</b>
1.18	“Proxy Notice”		<b>has the meaning given in Article 40;</b>
1.19	“the Regulator”		<b>means the Regulator of Community Interest Companies;</b>
1.20	“Secretary”		<b>the secretary of the Company (if any);</b>
1.21	“subsidiary”		<b>has the meaning given in section 1159 of the Companies Act 2006;</b>
1.22	“transfer”		<b>includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property; and</b>
1.23	“Writing”		<b>the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.</b>

2. **Subject to clause 3** of this Schedule, any reference in the Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.

3. Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when the Articles become binding on the Company.