

The Companies Act 2006

Company Limited by Guarantee and
not having a Share Capital

Articles of Association
of
Inspired Neighbourhoods C.I.C.

As amended by special resolution on 7th December 2016
Board Meeting and AGM 7th March 2017

Registered office address

Wright Watson Enterprise Centre, 40, Albion Road, Bradford, West Yorkshire,
England, BD10 9PY

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Articles of Association
of
Inspired Neighbourhoods C.I.C.

INTERPRETATION

1. Defined terms

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

COMMUNITY INTEREST COMPANY AND ASSET LOCK

2. Community Interest Company

- 2.1 The Company shall 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:

3.2.1 the Transfer of assets to any specified Asset-Locked Body, or (with the consent of the Regulator) to any other Asset-Locked Body; and

3.2.2 the Transfer of assets made for the benefit of the community other than by way of a transfer of assets to an Asset-Locked Body.

- 3.3 The condition is 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 or 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:

- 3.5.1 Name:
- 3.5.2 Charity Registration Number (if applicable): n/a
- 3.5.3 Company Registration Number (if applicable):
- 3.5.4 Registered Office:

Another asset locked organisation deemed fit for purpose and provide community benefit.

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.
- 4.2 The income and property of the Company must be applied solely towards promoting the Objects and (except to the extent authorised by this Article 4):
 - 4.2.1 no part may be paid or transferred directly or indirectly by dividend bonus or profit to a Company Member; and
 - 4.2.2 a Director may not directly or indirectly receive any payment of money or benefit from the Company.
- 4.3 For the avoidance of doubt nothing in Article 4.1 is to prevent the following payments to Company Members:
 - 4.3.1 payment of reasonable and proper rent for premises let to the Company by a Company Member;
 - 4.3.2 payment of reasonable and proper interest on money lent by any Company Member (or other person with the right to appoint Company Members);
 - 4.3.3 reasonable payments to a Company Member (or other person with the right to appoint Company Members) in return for goods and/or services supplied to the Company pursuant to a contract;
 - 4.3.4 the payment of reasonable and proper out of pocket expenses to those Company Members who are engaged by the Company as volunteers in the work of the Company or in work which is directly funded (in whole or in part) by the Company and which are actually incurred by them in carrying out their work as volunteers;
 - 4.3.5 the grant of a benefit to a Company Member who is a Beneficiary in furtherance of the Objects;
 - 4.3.6 the payment of a grant to an organisation or body which employs a Company Member for the purpose of meeting his/her employment costs provided that at no time shall a majority of the Company Members be in employment which is solely or mainly funded by the Company, providing that any Director who finds himself or herself in a position of Conflict of Interest in respect of such payment or grant declares their interest to the Board of Directors in accordance with Article 18.
- 4.4 Notwithstanding Article 4.1, the Company may make the following payments or grant the following benefits to Board of Directors:-

- 4.4.1 the reimbursement of reasonable and proper out-of-pocket expenses (including travel and dependants' care costs) actually incurred in enabling them to carry out their duties as Board of Directors;
- 4.4.2 the payment of reasonable and proper out of pocket expenses to those Board of Directors who are engaged by the Company as volunteers in the work of the Company or in work which is directly funded (in whole or in part) by the Company and which are actually incurred by them in carrying out their work as volunteers;
- 4.4.3 an indemnity in respect of any liabilities properly incurred in running the Company (including the costs of a successful defence to criminal proceedings);
- 4.4.4 the benefit of indemnity insurance under Article 40;
- 4.4.5 a payment to a company in which a Director has no more than a 1% shareholding;
- 4.4.6 payment of reasonable and proper interest on money lent by any Director to the Company;
- 4.4.7 a reasonable rent or hiring fee for property let or hired by any Director to the Company;
- 4.4.8 the usual professional charges for business done by any Director who is a solicitor, accountant or other professional or by his firm when instructed by the Company to act in a professional capacity on its behalf;
- 4.4.9 the reasonable charges for business done by any Director acting in the capacity of Secretary to the Company having been appointed under Article 43.

OBJECTS, POWERS AND LIMITATION OF LIABILITY

5. Objects

The objects of the Company are to:

- 5.1 carry on activities which benefit the community and in particular (without limitation) to promote activity that involves regeneration and neighbourhood management; and
- 5.2 anything else which the Board reasonably considers is for the benefit of the community.

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. Limit of Liability

7.1 The liability of the Company Members is limited.

8. Guarantee

8.1 Every Company Member promises, if the Company is wound up whilst he is a Company Member or within one year after ceasing to be a Company Member, to contribute such amount as is required up to a maximum of £1 towards the costs of winding up the Company and liabilities incurred whilst the contributor was a Company Member.

BOARD OF DIRECTORS

BOARD OF DIRECTORS' POWERS AND RESPONSIBILITIES

9. Directors' appointment and general authority

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

9.2 Until or unless otherwise determined by the Company Members in a General Meeting, the number of Directors shall not be less than three nor more than ten. The Directors shall use their reasonable endeavours to keep the total number of Directors as near as possible to ten

10. Chair (Vice Chair, Company secretary and Treasurer)

10.1 The Board of Directors may appoint one of their number to be the Chair of the Board of Directors for the term of 3 years in office and may at any time remove him or her from office.

10.2 The Chair may resign from their positions at any time (without necessarily resigning as a Director at the same time).

10.3 Where the Company has no Chair the first item of business of a Board Meeting must be to appoint a Chair.

10.4 The Chair may be removed only at a Board Meeting called for the purpose at which a resolution with a majority of those present in favour is passed. The Chair must be given an opportunity to say why he should not be removed.

10.5 Honorary Officers of the Board of Directors (Vice Chair, Company Secretary and Treasurer) may be appointed for the term of office determined by the Board of Directors, not more than 3 years in the office and may at any time remove him or her from office.

- 10.6 The functions of the Chair are:-
- 10.6.1 to ensure that Board Meetings and General Meetings are conducted efficiently;
 - 10.6.2 to give all Board of Directors an opportunity to express their views;
 - 10.6.3 where necessary (and in conjunction with the other Board of Directors) to ensure that, where the post of any Senior Officer is or is due to become vacant, a replacement is found in a timely and orderly fashion;
 - 10.6.4 to encourage the Board to delegate sufficient authority to its Committees to enable the business of the Company to be carried on effectively between Board Meetings;
 - 10.6.5 to ensure that the Board monitors the use of delegated powers; and
 - 10.6.6 to encourage the Board to take professional advice when it is needed and particularly before considering the dismissal of a Senior Officer.
- 10.7 Except to the extent that the Articles provide otherwise the Chair has no authority beyond that of any other Director.

11. Board of Directors may delegate

- 11.1 Subject to the Articles, the Board of Directors may delegate any of the powers which are conferred on them under the Articles or the implementation of their decisions or day to day management of the affairs of the Company:
- 11.1.1 to such person or committee;
 - 11.1.2 by such means (including by power of attorney);
 - 11.1.3 to such an extent;
 - 11.1.4 in relation to such matters or territories; and
 - 11.1.5 on such terms and conditions;
- as they think fit.
- 11.2 If the Board of Directors so specify, any such delegation may authorise further delegation of the Board of Directors powers by any person to whom they are delegated.
- 11.3 The Board of Directors may revoke any delegation in whole or part, or alter its terms and conditions.

DECISION-MAKING BY BOARD OF DIRECTORS

12. Calling a Board of Directors meeting

- 12.1 Two Directors may (and the Secretary, if any, must at the request of two Directors) call a Board of Directors meeting.
- 12.2 A Board of Directors meeting must be called by at least seven Clear Days' notice unless either:
 - 12.2.1 all the Board of Directors agree; or
 - 12.2.2 urgent circumstances require shorter notice.
- 12.3 Notice of Board of Directors meetings must be given to each Director.
- 12.4 Every notice calling a Board of Directors meeting must specify:
 - 12.4.1 the place, day and time of the meeting; and
 - 12.4.2 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.
- 12.5 Notice of Board of Directors meetings should be in Writing as far as is reasonably practicable.
- 12.6 Notice of Board of Directors meetings may be sent by Electronic Means to an Address provided by the Director for the purpose.

13. Participation in Board of Directors meetings

- 13.1 Subject to the Articles, Directors participate in a Board of Directors meeting, or part of a Board of Directors meeting, when:
 - 13.1.1 the meeting has been called and takes place in accordance with the Articles; and
 - 13.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 13.2 In determining whether Directors are participating in a Board of Directors meeting, it is irrelevant where any Director is or how they communicate with each other.
- 13.3 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.

14. Quorum for Board of Directors meetings

- 14.1 At a Board of Directors meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 14.2 The quorum for Board of Directors meetings shall be seven (where there are ten Directors) or otherwise the nearest whole number to two-thirds of all of the Directors where the total is less than ten.

14.3 If the total number of Directors for the time being is less than the two, the Board of Directors must not take any decision other than a decision:

14.3.1 to appoint further Directors; or

14.3.2 to call a General Meeting so as to enable the Company Members to appoint further Directors.

15. Chairing of Board of Directors meetings

The Chair, if any, or in his or her absence another Director nominated by the Board of Directors present shall preside as chair of each Board of Directors meeting.

16. Voting

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

16.2 Subject to Article 16.3, in all proceedings of Board of Directors each Director must not have more than one vote.

16.3 If there is an equality of votes on a show of hands or a ballot the Chair is entitled to a second or casting vote.

17. Decisions without a meeting

17.1 The Board of Directors may take a unanimous decision without a Board of 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.

17.2 A decision which is made in accordance with Article 17.1 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:

17.2.1 approval from each Director must be received by one person being either such person as all the Board of Directors have nominated in advance for that purpose or such other person as volunteers if necessary ("the Recipient"), which person may, for the avoidance of doubt, be one of the Board of Directors;

17.2.2 following receipt of responses from all of the Board of Directors, the Recipient must communicate to all of the Board of Directors by any means whether the resolution has been formally approved by the Board of Directors in accordance with this Article 17.2;

17.2.3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval;

17.2.4 the Recipient must prepare a minute of the decision in accordance with Article 38.

18. Conflicts of interest

- 18.1 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 Board of Directors unless, or except to the extent that, the other Board of Directors is or ought reasonably to be aware of it already.
- 18.2 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 Board of Directors.
- 18.3 When a Director has a Conflict of Interest which he or she has declared to the Board of 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.

19. Board of Directors power to authorise a conflict of interest

- 19.1 The Board of Directors has power to authorise a Director to be in a position of Conflict of Interest provided:
 - 19.1.1 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 18;
 - 19.1.2 in authorising a Conflict of Interest, the Board of Directors can decide the manner in which the Conflict of Interest may be dealt with;
 - 19.1.3 the decision to authorise a Conflict of Interest can impose such terms as the Board of Directors think fit and is subject always to their right to vary or terminate the authorisation.
- 19.2 If a matter, or office, employment or position, has been authorised by the Board of Directors in accordance with Article 19.1 then, even if he or she has been authorised to remain at the meeting by the other Board of Directors, the Director may absent himself or herself from meetings of the Board of Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed.
- 19.3 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Board of Directors in accordance with Article 19.1 (subject to any limits or conditions to which such approval was subject).

20. Register of Directors' interests

- 20.1 The Board of Directors shall cause a register of Directors' interests to be kept. A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Company or in any

transaction or arrangement entered into by the Company which has not previously been declared.

- 20.2 Every Director must ensure that at all times the Secretary has a list of:-
- 20.2.1 any other body of which he is a Director or officer;
 - 20.2.2 any firm of which he is a partner;
 - 20.2.3 any firm or organisation of which he is an employee;
 - 20.2.4 any public body of which he is an official or elected member;
 - 20.2.5 any company whose shares are publicly quoted in which he owns or controls more than 2% of the shares;
 - 20.2.6 any company whose shares are not publicly quoted in which he owns or controls more than 10% of the shares;
 - 20.2.7 any property owned by the Company in which he has an interest or which he occupies; or
 - 20.2.8 any other interest which is significant or material including any direct or indirect financial interest which may influence his judgement on matters being considered or to be considered by the Board.
- 20.3 A decision of the Board will not be invalid because of the subsequent discovery of an interest which should have been declared.
- 20.4 If the Board subsequently discover an interest which should have been declared, they may resolve to review and/or amend any decision which the Board reasonably believes might have been made differently had the interest been declared.

APPOINTMENT AND RETIREMENT OF BOARD OF DIRECTORS

21. Method of appointing Directors

- 21.1 Subject to Article 21.2 the Board of Directors may from time to time and at any time appoint any Company Member as a Director, either to fill a casual vacancy or by way of addition to the Board of Directors, provided that the prescribed maximum set out in Article 9.2 is not exceeded. Any Company Member appointed to fill a casual vacancy shall remain in office only under the next Annual General Meeting, but he shall then be eligible for re-appointment as a full Director. If an AGM is not held then a person appointed to fill a casual vacancy shall remain in office until the Board meeting after which the next set of annual accounts have been filed.
- 21.2 Any person appointed as a full Director shall serve a term of as near as possible to three years, but may be re-appointed for one further term if the Board of Directors so resolves, so that (from the date of adoption of these Articles) no newly appointed Director shall serve for more than 6 years. In deciding whether to re-appoint a person for a further term, the Board of Directors shall have regard to Article 21.4.
- 21.3 All Directors who have completed six years at the date of adoption of these Articles shall step down after 3 years additional term at the AGM. If an AGM is not held then the Directors concerned shall remain in office until the Board meeting after which the next set of annual accounts have been filed.

- 21.4 In determining who shall be suitable for appointment (or re-appointment) to the Board of Directors, the Directors shall have regard to any gaps in skills or experience on the Board of Directors, as well as looking to have as diverse a range of groups and organisations represented as possible.
- 21.5 A person must be a Company Member in order to be appointed to the Board of Directors: no person who is not a Company Member shall in any circumstances be eligible.
- 21.6 A Director must complete the Directors' Paperwork in order to be a Director. If, after these Articles come into effect, there are any Directors who have not completed the Directors' Paperwork then they must do so within 3 weeks of the date of the special resolution which brought these Articles into effect. Failure to do so may lead to the termination of that Director's appointment under Article 22.1.9.

22. Termination of Director's appointment

- 22.1 A person ceases to be a Director as soon as:
- 22.1.1 that person ceases to be a Director by virtue of any provision of the Companies Act 2006, or is prohibited from being a Director by law;
 - 22.1.2 a bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
 - 22.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 22.1.4 he or she becomes incapable of managing and administering his or her own affairs because of mental disorder, illness or injury and the Board resolves that he or she be removed from office;
 - 22.1.5 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms (but only if at least two Directors will remain in office when such resignation has taken effect);
 - 22.1.6 the Director fails to attend three consecutive meetings of the Board of Directors and the Board of Directors resolves that the Director be removed for this reason;
 - 22.1.7 the Director comes to the end of their term of office and is not reappointed by the Board under Article 21;
 - 22.1.8 (being a Company Member) that person ceases to be a Company Member for any reason;

22.1.9 the Director fails to fully complete and return all of the Directors' Paperwork within 3 weeks of it being given to him, unless the Board shall resolve otherwise;

22.1.10 the Director is guilty of conduct damaging to the Company or its reputation, provided that the Director concerned has first been given the opportunity to say why he or she should not be removed, and the nearest whole number to two-thirds of Directors attending and voting at a meeting to discuss the matter have resolved that the person should be removed as a Director; or

22.1.11 is removed under Article 23.

23. COMPLAINTS ABOUT DIRECTORS

23.1 If the Chair receives a written complaint identifying the complainant and alleging conduct by a Director which in that person's reasonable opinion is detrimental to the interests of the Company and suggests that there is a prima facie case for the complaint to be investigated in accordance with the provisions of this Article the Chair may suspend the Director concerned.

23.2 Conduct detrimental to the interests of the Company includes:-

23.2.1 any breach of a Director's obligations as set out in the statement of obligations of Directors signed by that person under Article 21.4 or otherwise; and

23.2.2 conviction for any offence which has or is likely to bring the Company into disrepute.

23.3 The Director whose conduct is complained of must immediately be notified in writing either by the Secretary or by the Chair of the complaint and of any suspension which if exercised under Article 23.1 will be effective from the date of the notice. During the period of any suspension the Director must not:-

23.3.1 participate in a Board of Directors Meeting;

23.3.2 authorise or incur expenditure on behalf of the Company;

23.3.3 make use of any property belonging to or in use by the Company in that person's capacity as a Director;

23.3.4 hold himself out as a Director of the Company; or

23.3.5 seek to commit the Company to any obligation.

23.4 On receipt of a complaint under Article 23.1 the Chair must as soon as reasonably practicable put in place a fair system for hearing the complaint in question and for deciding what action (if any) is required to be taken in relation to the Director concerned.

23.5 As a minimum, the complaints procedure set up under Article 23.4 must:-

- 23.5.1 allow the Director who is the subject of the complaint reasonable opportunity to answer the complaint and justify why he should not be removed from office as a Director; and
- 23.5.2 provide to the Director concerned written reasons following the determination of the complaint explaining the conclusions reached and any action taken as a result.
- 23.6 The complaints procedure may conclude that:-
 - 23.6.1 no further action is required and that any suspension be lifted;
 - 23.6.2 the Director be removed from office as a Director; or
 - 23.6.3 other action is required.

MEMBERS

24. Company Members

- 24.1 The subscribers to the Memorandum are the first Company Members.
- 24.2 Such other persons as are admitted to membership in accordance with the Articles shall be Company Members.
- 24.3 No person shall be admitted as a Company Member:-
 - 24.3.1 unless that person is approved by the Board of Directors;
 - 24.3.2 unless that person has delivered to the Company an application for membership in such form (and containing such information) as the Board of Directors require and executed by him; or
 - 24.3.3 if it would immediately cease to be a Company Member under the Articles.
- 24.4 Company membership is personal and not transferable.
- 24.5 Company membership is restricted to persons residents or working in Bradford District

25. Termination Of Company Membership

- 25.1 A person will cease to be a Company Member:
 - 25.1.1 on giving written notice of resignation to the Secretary;
 - 25.1.2 if he dies;
 - 25.1.3 a bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

- 25.1.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 25.1.5 he or she becomes incapable of managing and administering his or her own affairs because of mental disorder, illness or injury and the Board resolves that he or she be removed from office;
- 25.1.6 if the Board resolves to terminate the membership for conduct damaging to the Company or its reputation subject to giving the Company Member concerned a reasonable opportunity to explain why he or she should not be removed; or
- 25.1.7 they are appointed as an employee of the Company.

DECISION-MAKING BY COMPANY MEMBERS

26. Annual General Meetings

- 26.1 The Company may, but need not, hold an AGM each year.
- 26.2 The AGM is to be held at such time and place as the Board decides.
- 26.3 The business of the AGM is:-
 - 26.3.1 to receive the annual Directors' report;
 - 26.3.2 to consider the accounts and the auditors' report;
 - 26.3.3 to appoint the auditors (if necessary); and
 - 26.3.4 to transact any other business specified in the notice convening the meeting.
- 26.4 Whether or not the Company holds an AGM, it must ensure it complies with the requirements of s.423 (and following) of the Companies Act.

27. Extraordinary General Meetings

- 27.1 A General Meeting other than an AGM is called an EGM.
- 27.2 An EGM is to be called by the Board.
- 27.3 If there are insufficient Board of Directors available to form a quorum at a Board Meeting to call an EGM it may be called in the same way as a Board Meeting.
- 27.4 On receiving a requisition from at least one-tenth of the Company Members under Section 368 of the Act the Board must immediately convene an EGM.

28. Notice of General Meetings (AGM and EGM)

- 28.1 An AGM and an EGM must be called by at least 14 Clear Days' notice.

- 28.2 A General Meeting may be called by shorter notice if this is agreed:
- 28.2.1 for an AGM by all of the Company Members entitled to attend and vote; and
 - 28.2.2 for an EGM by a majority in number of the Company Members who may attend and vote and who together hold 90% or more of the total voting rights of all of the Company Members at the EGM.
- 28.3 The notice must specify:-
- 28.3.1 the time, date and place of the General Meeting;
 - 28.3.2 the general nature of the business to be transacted; and,
 - 28.3.3 in the case of an AGM, that it is the AGM.
- 28.4 Subject to the Act no business may be transacted at a General Meeting except that specified in the notice convening the meeting.
- 28.5 Notice of a General Meeting must be given to all of the Company Members, the Board of Directors and the Company's auditors (if any).
- 28.6 Notice of a General Meeting may be posted in such places as the Board decides in order to bring it to the attention of such other persons who in the reasonable opinion of the Board have an interest in the work of the Company.
- 28.7 The accidental omission to give notice of a General Meeting to, or the non-receipt of notice of a General Meeting by, any person entitled to receive notice will not invalidate the proceedings at that General Meeting.

29. Quorum (Both AGM and EGM)

- 29.1 No business may be transacted at a General Meeting unless a quorum is present.
- 29.2 The quorum for General Meetings shall be two-thirds of all of the Company Members either present in person or through proxy.
- 29.3 A Company Member may be part of the quorum at a General Meeting if he can understand, comment and vote on the proceedings through telephone, video conferencing or other communications equipment.
- 29.4 If a quorum is not present within 15 minutes from the time of the General Meeting or a quorum ceases to be present during a General Meeting it must be adjourned to such time and place as the Board decides.
- 29.5 If at the adjourned meeting there are again insufficient Company Members present within 15 minutes from the time of the adjourned General Meeting to constitute a quorum then those Company Members who are present (provided that they number at least three) shall constitute a quorum for the purpose of allowing any business of the adjourned meeting to be conducted.

- 29.6 Reasonable notice of an adjournment of a General Meeting because of a lack of quorum and the time and place of the adjourned General Meeting must be given to all Company Members.
- 29.7 Any person who in the reasonable opinion of the Board has an interest in the work of the Company may attend a General Meeting and may speak (at the absolute discretion of the Chair) but unless he is a Company Member's proxy, he may not vote.

30. Chair at General Meetings

- 30.1 The Chair is to chair General Meetings.
- 30.2 If the Chair is not present within 15 minutes from the time of the General Meeting or is unwilling to act then the Vice-Chair must chair the General Meeting.
- 30.3 If neither the Chair nor the Vice-Chair is present and willing to act within 15 minutes from the time of the General Meeting, the Company Members present must choose one of their number to chair the General Meeting.

31. Adjournment of General Meetings

- 31.1 The Chair may, with the consent of a General Meeting at which a quorum is present (and must if so directed by the General Meeting), adjourn it to a time and place agreed by the General Meeting.
- 31.2 The Chair may adjourn a General Meeting if it appears to the Chair that:-
- 31.2.1 more people wish to attend the meeting than was reasonably to be expected and the room is too small;
 - 31.2.2 unruly conduct is likely to prevent the orderly holding of the meeting; or
 - 31.2.3 for any other reason an adjournment is necessary for the business of the meeting to be properly conducted.
- 31.3 The only business which may be transacted at an adjourned General Meeting is that left unfinished from the General Meeting which was adjourned.
- 31.4 It is not necessary to give notice of a General Meeting which is adjourned under Article 31.2.1 or 31.2.2 unless it is adjourned for 30 days or more in which case 7 Clear Days' notice must be given.
- 31.5 Resolutions passed at an adjourned General Meeting are to be treated as having been passed on the date on which they were actually passed.

32. Voting at General Meetings

- 32.1 Resolutions are to be decided on a show of hands unless a ballot is properly demanded.

- 32.2 Each Company Member present in person or by proxy has one vote both on show of hands and a ballot.
- 32.3 If there is an equality of votes on a show of hands or a ballot the Chair is entitled to a second or casting vote.
- 32.4 An objection to the qualification of any voter may only be raised at the General Meeting at which the vote objected to is tendered. Every vote not disallowed at the General Meeting is valid. An objection made in time must be referred to the Chair whose decision is final.
- 32.5 A declaration by the Chair that a resolution has been carried (or not carried) unanimously, or by a particular majority, which is entered into the minutes of the meeting is conclusive evidence of the fact unless a ballot is demanded.
- 32.6 A person who is not a Company Member 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.

33. Ballots

- 33.1 A ballot may be demanded by the Chair or any Company Member before or on the declaration of the result of a show of hands.
- 33.2 A demand for a ballot may be withdrawn before the ballot is taken. If the demand for a ballot is withdrawn the result of the show of hands will stand.
- 33.3 The demand for a ballot will not prevent the General Meeting continuing to transact business other than in relation to the question on which the ballot is demanded.
- 33.4 A ballot is to be taken as the Chair directs. The Chair may appoint scrutineers (who need not be Company Members) and set a time and place to declare the result. The result will be the resolution of the General Meeting at which the ballot was demanded but will be treated as passed when the result is declared.
- 33.5 A ballot on the election of a chair or an adjournment must be taken immediately. A ballot on any other question may be taken either immediately or at such time and place as the Chair directs.
- 33.6 At least 7 Clear Days' notice must be given of the time and place at which the ballot is to be taken unless the time and place are announced at the General Meeting at which it is demanded.
- 33.7 On a ballot each Company Member present is to have one vote whether present in person or by proxy.

34. Proxies

- 34.1 A Company Member may appoint a proxy in writing. A proxy need not be a Company Member. The Board may from time to time prescribe a form to appoint a

proxy by standing orders made under Article 47. A proxy may not appoint another proxy.

- 34.2 The document appointing a proxy may instruct the proxy which way to vote on particular resolutions.
- 34.3 A proxy will only be valid if the document appointing a proxy (and any power of attorney or other authority (if any) under which it is signed) or a properly certified copy is deposited at the Registered Office at least 24 hours before the starting time for the General Meeting or adjourned General Meeting at which the proxy proposes to vote.
- 34.4 No document appointing a proxy will be valid for more than 12 months.
- 34.5 A vote given or ballot demanded by proxy is to be valid despite:-
- 34.5.1 the revocation of the proxy; or
- 34.5.2 the death or insanity of the principal
- unless written notice of the death, insanity or revocation is received at the Registered Office before the start of the General Meeting or adjourned General Meeting at which the proxy is used.
- 34.6 A proxy form will not be valid for any part of a General Meeting at which the Company Member who appointed the proxy is present.

35. Company Members' Written Resolutions

- 35.1 Subject to the Act, a written resolution signed by the relevant majority of the Company Members entitled to attend and vote at a General Meeting (provided those Company Members would constitute a quorum at a General Meeting) is as valid as if it had been passed at a General Meeting.
- 35.2 A resolution under Article 35.1 may consist of several documents in similar form each signed by one or more Company Members.

ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS

36. Means of communication to be used

- 36.1 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.
- 36.2 Subject to the Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Board of 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.

- 36.3 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.

37. Irregularities

- 37.1 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.

38. Minutes

- 38.1 The Board of Directors must cause minutes to be kept for the purpose:

38.1.1 of all appointments of officers made by the Board of Directors;

38.1.2 of all resolutions of the Company and of the Board of Directors (including, without limitation, decisions of the Board of Directors made without a meeting); and

38.1.3 of all proceedings at meetings of the Company and of the Board of Directors, and of committees of Board of Directors, including the names of the Board of Directors present at each such meeting;

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

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

39. Records and accounts

The Board of Directors shall comply with the requirements of the Companies Acts as to maintaining a Company 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:

39.1 annual reports;

39.2 annual returns; and

39.3 annual statements of account.

39.4 Except as provided by law or authorised by the Board of Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Company Member.

40. Indemnity

40.1 Subject to Article 40.2, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:

40.1.1 any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

40.1.2 any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); and

40.1.3 any other liability incurred by that Director as an officer of the Company or an associated company.

40.2 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.

40.3 In this Article:

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

40.3.2 a "relevant Director" means any Director or former Director of the Company or an associated company.

41. Insurance

- 41.1 The Board of Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.
- 41.2 In this Article:
- 41.2.1 a “relevant Director” means any Director or former Director of the Company or an associated company;
- 41.2.2 a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company; and
- 41.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

42. Exclusion of model articles

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

43. Observers

- 43.1 The Board may allow individuals who are not Board of Directors to attend Board Meetings as Observers on whatever terms they decide.
- 43.2 Observers may not vote, but may take part in discussions unless the Board decides otherwise.
- 43.3 The Board may exclude Observers from any part of a Board Meeting where the Board considers the business is private.

44. The Secretary

- 44.1 The Board may, but need not, appoint a Secretary. Where appointed, that person’s term of office shall be for the Board to decide.
- 44.2 A Secretary may be removed by the Board at any time.
- 44.3 The duties of the Secretary include advising the Board on legal compliance.

45. Bank And Building Society Accounts

- 45.1 All bank and building society accounts must be controlled by the Board of Directors and must include the name of the Company.
- 45.2 Cheques and orders for the payment of money must be signed in accordance with the Board's instructions.

46. Execution Of Documents

- 46.1 If the Company has a seal it may only be used with the authority of the Board (which may be given generally for documents of a particular type).
- 46.2 Unless the Board decides otherwise, documents to which the seal is attached or which are executed as deeds must be signed by:
 - 46.2.1 one Director before a witness;
 - 46.2.2 two Board of Directors; or
 - 46.2.3 (if the Company has a Secretary) one Director and the Secretary.

47. Standing Orders

- 47.1 Subject to Article 47.4
 - 47.1.1 the Board may from time to time make standing orders for the proper conduct and management of the Company; and
 - 47.1.2 the Company in General Meeting may alter, add to or repeal the standing orders.
- 47.2 The Board must adopt such means as they think sufficient to bring the standing orders to the notice of the Company Members.
- 47.3 Standing orders are binding on all Company Members and Board of Directors.
- 47.4 No standing order may be inconsistent with or may affect or repeal anything in the Memorandum or the Articles.

SCHEDULE
INTERPRETATION

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

Term	Meaning
“Address”	includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;
“Articles”	means the Company’s articles of association;
“Asset-Locked Body”	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 either of those;
“bankruptcy”	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
“Chair”	has the meaning given in Article 10;
“Circulation Date”	in relation to a written resolution, has the meaning given to it in the Companies Acts;
“Clear Days”	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
“community”	is to be construed in accordance with the section 35(5) of the Companies (Audit, Investigations and Community Enterprise) Act 2004;
“Committee”	means a committee of the Board;
“Companies Acts”	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;
“Company”	Inspired Neighbourhoods C.I.C.;
“Company Member”	means a member for the time being of the Company; Any person living or working in Bradford East may become a member of the company providing s/he completes membership form and meets the criteria set within.

“Conflict of Interest”		any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts or might conflict with the interests of the Company;
“Contracting Authority”		has the meaning given in the Public Contracts Regulations 2006 (or such legislation as may replace it from time to time);
“Board of Directors”		means the board of Directors;
“Director”		means a director of the Company, being a member of the Board of Directors. and includes any person occupying the position of director, by whatever name called;
“Directors’ Paperwork”		means (1) form AP01, (2) Directors’ role and acceptance of responsibilities, (3) Directors’ interests form, and (4) Company Member application form.
“Document”		includes, unless otherwise indicated, any document sent or supplied in Electronic Form;
“Electronic Form and Electronic Means”	and	have the meanings respectively given to them in section 1168 of the Companies Act 2006;
“General Meeting”		means the a meeting of the Company Members;
“Hard Copy Form”		has the meaning given in section 1168 of the Companies Act 2006;
“instrument”		means a Document in Hard Copy Form;
“Memorandum”		the Company’s memorandum of association;
“paid”		means paid or credited as paid;
“participate”		in relation to a Board of Directors meeting, has the meaning given in Article 13;
“Permitted Industrial Provident Society”	and	means an industrial and provident society which has a restriction on the use of its assets in accordance with regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006;
“the Regulator”		means the Regulator of Community Interest Companies;
“the Regulations”		means the Community Interest Company

	Regulations 2005 (as amended);
“Secretary”	the secretary of the Company (if any);
“Senior Officer”	means any officer of the Company designated as such by the Board;
“specified”	means specified in the Memorandum or Articles of the Company;
“subsidiary”	has the meaning given in section 1159 of the Companies Act 2006;
“Transfer”	includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property; and
“Writing”	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.

2. Subject to clause 3 of this Schedule, any reference in the Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.
3. Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Acts as in force on the date when these Articles become binding on the Company.