

THE COMPANIES ACTS 2006

COMPANY LIMITED BY GUARANTEE

RESOLUTIONS

of

THE NATIONAL SHEEP ASSOCIATION
(the "Company")

PASSED on 6th September 2011

At the Annual General Meeting of the Company duly convened and held at Massington Farm, Eastnor Castle Estate, Herefordshire on 6th September 2011 at 4 00 pm the following resolutions were passed as Special Resolutions

SPECIAL RESOLUTIONS

- 1 That with effect from 1 January 2012 the articles of association be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provisions of the Company's articles of association
- 2 That the regulations contained in the printed document attached to this resolution be and they are hereby approved and adopted as the Articles of Association of the Company with effect from 1 January 2012, in substitution for and to the exclusion of all existing articles of association,

D. Gosker

Director

Director

WEDNESDAY



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COMPANIES HOUSE

COMPANY NOT HAVING A SHARE CAPITAL

Articles of Association for a Charitable Company

Articles of Association of National Sheep Association

1 The Company's name is National Sheep Association
(and in this document it is called the 'charity')

Interpretation

2 In these Articles:

'address' means a postal address or, for the purposes of electronic communication, a fax number, an email or postal address or a telephone number for receiving text messages in each case registered with the charity

'the articles' means the charity's articles of association

'charitable' means charitable in accordance with the law of England and Wales provided that it will not include any purpose which is not in accordance of section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and/or section 2 of the Charities Act (Northern Ireland) 2008 For the avoidance of doubt the system of law governing the constitution of the charity is the law of England of England and Wales

'clear days' in relation to the period of a notice means a 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,

'the Commission' means the Charity Commission for England and Wales,

'Companies Act' means the Companies Act (as defined in section 2 of the Companies Act 2006) in so far as they apply to the charity,

'the directors' means the directors of the charity. The directors are charity trustees as defined by section 97 of the Charities Act 1993,

'document' includes, unless otherwise specified, any document sent or supplied in electronic form,

'electronic form' has the meaning given in section 1168 of the Companies Act 2006,

'the memorandum' means the charity's memorandum of association;

'NSA regions' means each of the regional committees of the Association

'officers' includes the directors and the secretary (if any),

'the seal' means the common seal of the charity if it has one,

'secretary' means any person appointed to perform the duties of the secretary of the charity,

'the United Kingdom' means Great Britain and Northern Ireland, and

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

Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Act but excluding any statutory modification not in force when this constitution becomes binding on the charity

Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force

Liability of Members

3. The liability of members is limited to £1 being the amount that each member undertakes to contribute to the assets of the charity in the event of its being wound up while he, she or it is a member or within one year after he, she or it ceases to be a member, for
 - (1) payment of the charity's debts and liabilities incurred before he, she or it ceases to be a member,
 - (2) payment of the costs, charges and expenses of winding up, and
 - (3) adjustment of the rights of the contributories among themselves

Objects

- 4 The charity's objects ('Objects') are specifically restricted to the following charitable object
 - (1) To encourage and improve breeding, management and promotion of sheep as a species and as an activity in the United Kingdom and elsewhere in pursuit of advancing education, health, heritage, science, environmental protection and improvement and animal welfare for the public benefit

Powers

- 5 The charity has power to do anything which is calculated to further its object(s) or is conducive or incidental to doing so including
 - (1) To compile and publish such general information with reference to the breeding and management of sheep and sheep farming as the Association thinks fit, to make a charge for such information
 - (2) To disseminate information with reference to sheep breeding, management and diseases of sheep by lectures, discussions, books, correspondence, or otherwise and for that purpose, to co-operate with any university, college or other authorities
 - (3) To consider legislation affecting sheep, sheep breeding and sheep farming

- (4) To provide rooms and other facilities for the holding and conducting of meetings and to hold or take part in exhibitions, lectures, conferences and shows for the objects or work of the Association
- (5) To apply for, acquire and deal with trade marks (including certification trade marks), patents and designs and to grant license to use them
- (6) To procure the Association to be registered or recognised for any purpose or purposes consistent with its objects in any part of the Commonwealth or in any foreign country or place
- (7) To raise funds. In doing so, the charity must not undertake any taxable permanent trading activity which is not charitable and must comply with any relevant statutory regulations,
- (8) To buy, take on lease or exchange, hire or otherwise acquire property and to maintain and equip it for use,
- (9) To sell, lease or otherwise dispose of all or any part of the property belonging to the charity. In exercising this power, the charity must comply as appropriate with sections 36 and 37 of the Charities Act 1993, as amended by the Charities Act 2006,
- (10) To borrow money and to charge the whole or any part of the property belonging to the charity as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The charity must also comply as appropriate with sections 38 and 39 of the Charities Act 1993, as amended by the Charities Act 2006, if it wishes to mortgage land,
- (11) To co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them,
- (12) To establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects,
- (13) To acquire, merge with or enter into any partnership or joint venture arrangement with any other charity
- (14) To set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves,
- (15) To employ and remunerate such staff as are necessary for carrying out the work of the charity. The charity may employ or remunerate a director only to the extent it is permitted to do so by article 6 and provided it complies with the conditions in that article,
- (16) To
 - (a) deposit or invest funds
 - (b) employ a professional fund manager, and
 - (c) arrange for the investments or other property of the charity to be held in the name of a nominee in the same manner and subject to the same conditions as the trustee of a trust are permitted to do so by the Trustee Act 2000
- (17) to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993
- (18) to pay out of the funds of the charity the costs of forming and registering the charity both as a company and as a charity

Application of Income and Property

Universal clauses

6

- (1) The income and property of the charity shall be applied solely towards the promotion of the Objects
- (2)
 - (a) A director is entitled to be reimbursed from the property of the charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the charity
 - (b) A director may benefit from trustee indemnity insurance cover purchased at the charity's expense in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993
 - (c) A director may receive an indemnity from the charity in the circumstances specified in article 58
 - (d) A director may not receive any other payment or benefit unless it is authorized by articles 6 (4) – 6 (4) (c)
- (3) None of the income or property of the charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the charity This does not prevent a member who is not also a director receiving
 - (a) A benefit from the charity in the capacity of a beneficiary of the charity
 - (b) Reasonable and proper remuneration for any goods or services supplied to the charity

Directors' benefits –

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

- (4) No director or connected person may
 - (a) buy any goods or services from the charity on terms preferential to those applicable to members of the public,
 - (b) sell goods, services, or any interest in land to the charity,
 - (c) be employed by, or receive any remuneration from, the charity,
 - (d) receive any other financial benefit from the charity unless the payment is permitted by article 6(4)(A) and/or (B) or authorised by the board or by the Charity Commission

In this article a 'financial benefit' means a benefit, direct or indirect, which is either money or has a monetary value

Scope and powers permitting directors'/connected persons' benefits

- (4)(A) (a)
 - (i) A director or connected person may receive a benefit from the charity in the capacity of a beneficiary of the charity provided that a majority of the directors do not benefit in this way
 - (ii) A director or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the charity where that is permitted in accordance with, and subject to the conditions in, section 73A to 73C of the Charities Act 1993 and sections 67 and 68 of the Charities and Trustees Investment (Scotland) Act 2005
 - (iii) Subject to article 6(4) (B) a director or connected person may provide the charity with goods that are not supplied in connection with services provided to

the charity by the director or connected person

(iv) A director or connected person may receive interest on money lent to the charity at a reasonable and proper rate which must be 2% (or more) per annum below the base rate of a clearing bank to be selected by the directors or 0.1% if the base rate is 2.1% or less and on repayment and security terms which are no less onerous than might reasonably be expected

(v) The directors may arrange for the purchase, out of the funds of the charity, of insurance designed to indemnify the directors in accordance with the terms of, and subject to the conditions in, section 73F of the Charities Act 1993.

(vi) A director or connected person may take part in the normal trading and fundraising activities of the charity on the same terms as members of the public

Payment for supply of goods only – controls

(4)(B) The charity and its directors may only rely upon the authority provided by article 6(4)(A)(a)(iii) if each of the following conditions is satisfied

- (a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between
 - (i) the charity or its directors (as the case may be); and
 - (ii) the director or connected person supplying the goods ("the supplier") under which the supplier is to supply the goods in question to or on behalf of the charity
 - (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question
 - (c) The other directors are satisfied that it is in the best interests of the charity to contract with the supplier rather than with someone who is not a director or connected person. In reaching that decision the directors must balance the advantage of contracting with a director or connected person against the disadvantages of doing so
 - (d) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the charity
 - (e) The supplier does not vote on any such matter and is not to be counted with calculating whether a quorum of directors is present at the meeting.
 - (f) The reason for their decision is recorded by the directors in the minute book
 - (g) A majority of the directors then in office are not in receipt of remuneration of payments authorised by article 6(4)(A)
- (5) (a) In sub-clauses (2)-(4) of this article 6 "charity" shall include any company in which the charity
- (i) holds more than 50% of the shares, or
 - (ii) controls more than 50% of the voting rights attached to the shares; or
 - (iii) has the right to appoint one or more directors to the board of the company,
- (b) In sub clause (4) of this article 6, sub-clause (2) of article 48 and sub-clause (2) of article 49 "connected person" means
- (i) a child, parent, grandchild, grandparent, brother or sister of the director,
 - (ii) the spouse or civil partner of the director or of any person falling within paragraph (i) above,
 - (iii) a person carrying on business in partnership with the director or with any person falling within paragraph (i) or (ii) above;
 - (iv) an institution which is controlled –
 - (I) by the director or any connected person falling within paragraph (i), (ii) or (iii) above; or

- (II) by two or more persons falling within sub-paragraph (I), when taken together
- (v) a body corporate in which –
 - (I) the director or any connected person falling within paragraphs (i) to (iii) has a substantial interest, or
 - (II) two or more persons falling within sub-paragraph (I) who, when taken together, have a substantial interest

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

Members

7

- (1) Membership is open to individuals or organisations specified in article 8(5) below who
 - (i) apply to the charity in the form required by the directors; and
 - (ii) are approved by the directors
- (2) The directors may only refuse an application for membership if, acting reasonably and properly, they consider it to be within the best interests of the charity and its Objects to refuse the application
 - (i) The directors must inform the applicant in writing of the reasons for the refusal within twenty – one days of the decision
 - (ii) The directors must consider any written representations the applicant may make about the decision. The directors' decision following any written representations must be notified to the applicant in writing but shall be final
- (3) Membership is not transferable
- (4) The directors must keep a register of names and addresses of the members

Classes of Membership

8

- (1) The directors may establish classes of membership with different rights and obligations and shall record the rights and obligations in the register of members
- (2) The directors may not directly or indirectly alter the rights or obligations attached to a class of membership
- (3) The rights attached to a class of membership may only be varied if
 - (i) three-quarters of the members of that class consent in writing to the variation, or
 - (ii) a special resolution is passed at a separate general meeting of the members of that class agreeing to the variation
- (4) The provisions in the articles about general meetings shall apply to any meeting relating to the variation of the rights of any class of members
- (5) Subject to the provisions of these articles the following shall be eligible to apply for membership of the Association

Category 1	Breed Societies namely those Associations of Societies connected with or interested in the breeding of sheep
Category 2	Individual persons interested in the objects of the Association

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|------------|--|
| Category 3 | Companies, Institutions or Corporations interested in the objects of the Association |
| Category 4 | Any of the above residing or located outside of the United Kingdom |

Termination of Membership

- 9 Membership is terminated if.
- (1) the member dies or, if it is a company, corporation or institute, ceases to exist
 - (2) the member resigns by written notice to the charity, unless after the resignation, there would be less than two members
 - (3) any sum due from the member to the charity is not paid in full within two months of it falling due
 - (4) the member is removed from membership by a resolution of the directors that it is in the best interests of the charity and its Objects that his or her or its membership is terminated. A resolution to remove a member from membership may only be passed if
 - (a) the member has been given at least twenty – one days notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is to be proposed
 - (b) the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations to the meeting

General Meetings

- 10 An annual general meeting must be held every year and not more than fifteen months may elapse between successive annual general meetings. The Annual General Meeting shall be held at such time and place as the directors shall appoint
- 11 The directors may call a general meeting at any time

Notice of General Meetings

- 12
- (1) The minimum periods of notice required to hold a general meeting of the charity are
 - (a) twenty one clear days for an annual general meeting or a general meeting for the passing of a special resolution
 - (b) fourteen clear days for all other general meetings
 - (2) A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 per cent of the total voting rights
 - (3) The notice must specify the date, time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article 19
 - (4) The notice must be given to all the members and to the directors and auditors

- 13 The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the charity

Proceedings at general meetings

14

- (1) No business shall be transacted at any general meeting unless a quorum is present
- (2) A quorum is 40 members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting
- (3) The authorised representative of a member organisation shall be counted in the quorum

15

- (1) If
 - (a) a quorum is not present within half an hour from the time appointed for the meeting, or
 - (b) during the meeting a quorum ceases to be present,The meeting shall be adjourned to such time and place as the directors shall determine
- (2) The directors must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting
- (3) If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person or by proxy at that time shall constitute the quorum for that meeting

16

- (1) General meetings shall be chaired by the person who has been appointed to chair meetings of the directors
- (2) If there is no such person or he or she is not present within fifteen minutes of the time appointed for the meeting a director nominated by the directors shall chair the meeting
- (3) If there is only one director present and willing to act, he or she shall chair the meeting
- (4) If no director is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting

17

- (1) The members present in person or by proxy at a meeting may resolve by ordinary resolution that the meeting shall be adjourned
- (2) The person who is chairing the meeting must decide the date, time and place at which the meeting is to be reconvened unless those details are specified in the resolution
- (3) No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place

- (4) If a meeting is adjourned by a resolution of the members for more than seven days, at least seven clear days' notice shall be given of the reconvened meeting stating the date, time and place of the meeting

18

- (1) Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded
- (a) by the person chairing the meeting, or
 - (b) by at least 50% of members present in person or by proxy and having the right to vote at the meeting, or
 - (c) by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting
- (2) (a) The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded
- (b) The result of the vote must be recorded in the minutes of the charity but the number or proportion of votes cast need not be recorded
- (3) (a) A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting
- (b) If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made
- (4) (a) A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll
- (b) The results of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded
- (5) (a) A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately
- (b) A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs
- (c) The poll must be taken within thirty days after it has been demanded
- (d) If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken
- (e) If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting

Content of proxy notices

19

- (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 charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate
- (2) The charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes

- (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
- (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

Delivery of proxy notices

19A

- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the charity by or on behalf of that person
- (2) An appointment under a proxy notice may be revoked by delivering to the charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates
- (4) If a proxy is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

Written Resolutions

20

- (1) A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been entitled to have voted upon it had it been proposed at a general meeting shall be effective provided that
 - (a) a copy of the proposed resolution has been sent to every eligible member
 - (b) a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution and
 - (c) it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date
- (2) A resolution in writing may comprise several copies to which one or more members have signified their agreement
- (3) In the case of a member that is an organisation, its authorised representative may signify its agreement

Votes of Members

- 21 Subject to article 8, every member, whether an individual or an organisation, shall have one vote
- 22 Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final

23

- (1) Any organisation that is a member of the charity may nominate any person to act as its representative at any meeting of the charity
- (2) The organisation must give written notice to the charity of the name of its representative. The representative shall not be entitled to represent the organisation at any meeting unless the notice has been received by the charity. The representative may continue to represent the organisation until written notice to the contrary is received by the organisation
- (3) Any notice given to the charity will be conclusive evidence that the representative is entitled to represent the organisation or that his or her authority has been revoked. The charity shall not be required to consider whether the representative has been properly appointed by the organisation

Directors

24

- (1) A director must be a natural person aged 16 years or older
- (2) No one may be appointed a director if he or she would be disqualified from acting under the provisions of article 39

25 The number of directors shall not be less than three but shall not exceed 14

26 A director may appoint an alternate director or anyone to act on his or her behalf at meetings of the directors under the conditions below

- (1) Any director (appointor) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to
 - (a) exercise that director's powers, and
 - (b) carry out that director's responsibilities in relation to the taking of decisions by the directors, in the absence of the alternate's appointor
- (2) Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors
- (3) The notice must
 - (a) identify the proposed alternate; and
 - (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice

Rights and responsibilities of alternate directors

27

- (1) An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor
- (2) Except as the Articles specify otherwise, alternate directors
 - (a) are deemed for all purposes to be directors,
 - (b) are liable for their own acts and omissions,
 - (c) are subject to the same restrictions as their appointors; and

- (d) are not deemed to be agents of or for their appointors and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member
- (3) A person who is an alternate director but not a director
 - (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
 - (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
 - (c) shall not be counted as more than one director for the purposes of articles 27 (3) (a) and (b).
- (4) A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision) but shall not count as more than one director for the purposes of determining whether a quorum is present)
- (5) An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director

Termination of an alternate directorship

- 28 An alternate director's appointment as an alternate terminates
 - (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
 - (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
 - (c) on the death of the alternate's appointor, or
 - (d) when the alternate's appointor's appointment as a director terminates

Powers of directors

29

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

Appointment of Directors

- 30 At their first meeting in each calendar year following the adoption of the articles the directors shall appoint the directors who have been nominated by the NSA regions during the previous 12 months and those who have been elected at the Annual General Meeting (provided that the directors shall not be obliged to appoint any director nominated by an NSA region which would result in a greater number of

directors from that NSA region than that set out in the composition of the board (as determined in accordance with these articles))

The composition of the board of directors will be as detailed below unless amended by the board of directors. The directors will have the power to amend the composition of the board for the following calendar year in respect of the regional representation at their last meeting in the calendar year based on the recommendations of a three yearly review of regional representation or otherwise if expedient for the proper functioning of the board

One Director as nominated by each of the six NSA English regions (six directors in total)

Three Directors as nominated by the NSA Cymru/Wales region

Two Directors as nominated by the NSA Scottish region

One Director as nominated by the NSA Northern Ireland region

One Director to act as Treasurer to NSA as elected at the Annual General Meeting each year

One Director as elected by the Board of Directors to act as Chairman of the Directors (subject to the provisions of article 43)

- 31 The charity may by ordinary resolution appoint a person who is willing to act as a director of the association
- 32 No person may be appointed a director at any general meeting unless
 - (1) not less than fourteen nor more than thirty five clear days before the date of the meeting, the charity is given a notice that
 - (a) is signed by a member entitled to vote at the meeting
 - (b) states the member's intention to propose the appointment of a person as a director
 - (c) contains the details that, if the person were to be appointed, the charity would have to file at Companies House; and
 - (d) is signed by the person who is to be proposed to show his or her willingness to be appointed
- 33 All members who are entitled to receive notice of a general meeting must be given not less than seven nor more than twenty eight clear days' notice of any resolution to be put to the meeting to appoint a director
- 34 The appointment of a director, whether by the charity in general meeting or by the other directors, must not cause the number of directors to exceed any number fixed as the maximum number of directors

Retirement of Directors

- 35 Save in respect of the first calendar year after the adoption of these articles, at their first meeting in the calendar year one third of the directors must retire from office by rotation or, if the number of directors is not divisible by three then the minimum number of directors to retire shall be the nearest whole number that is less than one third of the total number of directors

- (1) Two directors from England, one from Wales and one from either Scotland or Northern Ireland must retire at the first meeting of the board of directors in each calendar year as part of the rotation. The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they agree otherwise among themselves) be determined by lot.
 - (2) If a director is required to retire at the first meeting of the board of directors in the calendar year as per a provision of the articles the retirement shall take effect upon the conclusion of the meeting.
 - (3) If following the retirement of directors by rotation in accordance with these articles, the number of directors from an NSA region is less than the number set out in the composition of the board (as determined in accordance with these articles) then that NSA region shall be entitled by notice given to the board to nominate another director. That other director shall be appointed as a director as soon as reasonably practicable after notice of his or her nomination has been given to the board.
- 37 Other than the Treasurer who is elected each year at the AGM, subject to article 44, a director shall not serve for more than three consecutive years then will be obliged to retire or seek re-election. All directors that have served for six consecutive years must retire and will not be eligible for re-election for at least three years following retirement.
- 38 The Treasurer shall retire at the AGM following his/her election but shall be eligible for re-election.

Disqualification and removal of directors

- 39 A director shall cease to hold office if he or she
- (1) ceases to be a director by virtue of any provision in the Companies Act or is prohibited by law from being a director,
 - (2) is disqualified from acting as a trustee by virtue of section 72 of the Charities Act 1993 (or any statutory re-enactment or modification of that provision),
 - (3) ceases to be a member of the charity
 - (4) becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs
 - (5) resigns as a director by notice to the charity (but only if at least two directors will remain in office when the notice of the resignation is to take effect), or
 - (6) is absent without the permission of the directors from all their meetings held within a period for six consecutive months and the directors resolve that his or her office be vacated.

Remuneration of directors

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

Proceedings of directors

41

- (1) The directors may regulate their proceedings as they think fit, subject to the provisions of the articles
- (2) Any director may call a meeting of the directors
- (3) The directors will meet at least 4 times per calendar year
- (4) The secretary (if any) must call a meeting of the directors if requested to do so by a director
- (4) Questions arising at a meeting shall be decided by a majority of votes
- (5) In the case of equality of votes, the person who is chairing the meeting shall have a second or casting vote
- (6) A meeting may be held by suitable electronic means or by teleconference as agreed by the directors in which each participant may communicate with all other participants}

42

- (1) No decision may be made by a meeting of the directors unless a quorum is present at the time the decision is purported to be made ('present' includes being present by suitable electronic means or by telephone as agreed by the directors in which a participant or participants may communicate with all other participants)
- (2) The quorum shall be 50% of the total number of appointed directors or if that number is not even then one less than 50% of the total number of appointed directors
- (3) A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote

43 If the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting

44

- (1) At their first meeting in the calendar year the directors shall appoint a chairman of the board of directors and may revoke at any time such appointment. Any director who has previously not held the position of chairman of the board may continue as chairman beyond the six year limitation of article 37 but must retire after a maximum of three years in the chair if that term goes beyond the limitations of article 37
- (2) If the appointed chairman is one of the directors nominated by an NSA region then the NSA region from which that director was nominated shall be entitled by notice given to the board to nominate another director. That other director shall be appointed as a director as soon as reasonably practicable after notice of his or her nomination has been given to the board
- (3) If no one has been appointed to chair meetings of the directors or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair the meeting
- (4) The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by the articles or delegated to him or her by the directors

45

- (1) A resolution in writing or in electronic form agreed by all of the directors entitled to receive notice of a meeting of the directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held
- (2) The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more directors has signified their agreement

Delegation

46

- (1) The directors may delegate any of their powers or functions to a committee but the terms of any delegation must be recorded in the minute book
- (2) The directors may impose conditions when delegating, including the conditions that
 - (a) the relevant powers are to be exercised exclusively by the committee to whom they delegate;
 - (b) no expenditure may be incurred on behalf of the charity except in accordance with a budget previously agreed with the directors at their discretion
- (3) The directors may revoke or alter a delegation.
- (4) All acts and proceedings of any committees must be fully and promptly reported to the directors

Declaration of directors' interests

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

Conflicts of interests

48

- (1) If a conflict of interests arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply
 - (a) the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person,
 - (b) the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting, and
 - (c) the unconflicted directors consider it is in the interests of the charity to authorise the conflict of interests in the circumstances applying

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

Validity of directors' decisions

49

- (1) Subject to article 48(2), all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director,
- (a) who was disqualified from holding office,
 - (b) who had previously retired or who had been obliged by the constitution to vacate office,
 - (c) who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise,
- If without,
- (d) the vote of that director, and
 - (e) that director being counted in the quorum, The decision has been made by a majority of the directors at a quorate meeting
- (2) Article 48(1) does not permit a director or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the directors or of a committee of directors if, but for article 49(1), the resolution would have been void, or if the director has not complied with article 47

Seal

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

Minutes

- 51 The directors must keep minutes of all

- (1) appointments of officers made by the directors,
- (2) proceedings at meetings of the charity,
- (3) meetings of the directors and committees of directors including
 - (a) the names of the directors present at the meeting,
 - (b) the decisions made at the meetings, and
 - (c) where appropriate the reasons for the decisions

Accounts

52

- (1) The directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or

its successors and adhere to the recommendations of applicable Statements of Recommended Practice

- (2) The directors must keep accounting records as required by the Companies Acts

Annual Report and Return and Register of Charities

53

- (1) The directors must comply with the requirements of the Charities Act 1993 with regard to the
 - (a) transmission of a copy of the statements of account to the Commission,
 - (b) preparation of an Annual Report and the transmission of a copy of it to the Commission,
 - (c) preparation of an Annual Return and its transmission to the Commission
- (2) The directors must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities

Means of communication to be used

54

- (1) Subject to the articles, anything sent or supplied by or to the charity under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the charity
- (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

55 Any notice to be given to or by any person pursuant to the article

- (1) must be in writing, or
- (2) must be given in electronic or other recognised form

56

- (1) The charity may give any notice to a member either
 - (a) personally, or
 - (b) by sending it by post in a prepaid envelope addressed to the member at his or her address, or
 - (c) by leaving it at the address of the member,
 - (d) by giving it in electronic or other recognised form to the member's address, or
 - (e) by placing the notice on a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state that it concerns a notice of a company meeting and must specify the place date and time of the meeting.

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

58

- (1) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given
- (2) Proof that an electronic form of notice was given shall be conclusive where the company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006
- (3) In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:
 - (a) 48 hours after the envelope containing it was posted or
 - (b) 5 days after the envelope containing it was posted in the case of an address outside of the United Kingdom or
 - (c) in the case of an electronic form of communication, 48 hours after it was sent

Indemnity

59

- (1) The charity shall indemnify any director against any liability incurred by him or her or it in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006.
- (2) In this article a "relevant director" means any director or former director of the charity

Rules

60

- (1) The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the charity.
- (2) The bye laws may regulate the following matters but are not restricted to them:
 - (a) the admission of members of the charity (including the admission of organisations to membership) and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members,
 - (b) the conduct of members of the charity in relation to one another, and to the charity's employees and volunteers,
 - (c) the setting aside of the whole or any part or parts of the charity's premises at any particular time or times or for any particular purpose or purposes,
 - (d) the procedure at general meetings and meetings of the directors in so far as such procedure is not regulated by the Companies Acts or by the articles,
 - (e) the formation and governance of committees such as regional committees and sales committees
 - (f) generally, all such matters as are commonly the subject matter of company rules
- (3) The charity in general meeting has the power to alter, add to or repeal the rules or bye laws
- (4) The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity
- (5) The rules or bye laws shall be binding on all members of the charity No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles

Dissolution

61

- (1) The members of the charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred in any of the following ways:
 - (a) directly for the Objects; or
 - (b) by transfer to any charity or charities for purposes similar to the Objects; or
 - (c) to any charity or charities for use for particular purposes that fall within the Objects
- (2) Subject to any such resolution of the members of the charity, the directors of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the charity be applied or transferred;
 - (a) directly for the Objects; or
 - (b) by transfer to any charity or charities for purposes similar to the Objects; or
 - (c) to any charity or charities for use for particular purposes that fall within the Objects
- (3) In no circumstances shall the net assets of the charity be paid to or distributed among the members of the charity (except to a member that is itself a charity) and if no resolution in accordance with article 61(1) is passed by the members or the directors the net assets of the charity shall be applied for charitable purposes as directed by the Court or the Commission
- (4) Nothing in these articles shall authorise an application of the property of the charity for purposes which are not charitable in accordance with section 7 of the Charities and Trustees (Investment) Scotland Act 2005 and/or section 2 of the Charities Act (Northern Ireland) 2008

Disputes

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

