

Registered Number: 00041819

**Articles
of Association
of
Stanborough Press Ltd**

COMPANY LIMITED BY SHARES

THE COMPANIES ACT 2006

as amended by special resolutions on
25th March 1964, 8th February 1996
and 16th September 2019

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COMPANIES HOUSE

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

STANBOROUGH PRESS LTD

PART A. INTRODUCTION

1 INTERPRETATION

1.1 In these Articles:

"the Act"	means the Companies Acts (as defined in Section 2 of the Companies Act 2006) insofar as they apply to the Society and any statutory modification or re-enactment thereof for the time being in force
"the Articles"	means these Articles of Association of the Society
"the Board"	means the board of Directors of the Society and (where appropriate) includes a Committee and the Directors acting by written resolution
"Board Meeting"	means a meeting of the Board
"British Union Conference of Seventh-day Adventists"	means the organisation of this name, which is a registered charity with charitable number 1044071, or such organisation as may replace it from time to time
"Business Day"	means any day other than a Saturday, Sunday, bank holiday or public holiday
"Chair"	means (subject to the context) either the President of the British Union Conference of Seventh-day Adventists from time to time or where that office is vacant or if the chair of the Society is not present or has not taken the chair at a meeting means the person who is chairing a Board Meeting or General Meeting at the time
"Charity Commission"	means the Charity Commission for England and Wales
"Clear Days"	in relation to a period of notice means the 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

"Committee"	means a committee of the Board exercising powers delegated to it by the Board
"Companies House"	means the office of the Registrar of Companies
"Director"	means any director and charity trustee of the Society who is appointed under Article 19
"General Meeting"	means a meeting of Members of the Society
"including"	means "including without limitation" and "include" and "includes" are to be construed accordingly
"Member of the Society"	means a shareholder for the time being of the Society who is admitted under Article 6
"the Memorandum"	means the Memorandum of Association of the Society
"the Objects"	means the objects of the Society set out in Article 3
"Observers"	means those persons (other than Directors) present under Article 29 at a Board Meeting
"Registered Office"	means the registered office of the Society
"Secretary"	means the secretary of the Society including a joint, assistant or deputy secretary
"Seventh-day Adventists"	means an organisation recognised by the General Conference of Seventh-day Adventists Headquarter Office, Silver Spring, Maryland USA, in their annual year book
"Seventh-day Adventist Association Limited"	means the charitable company of this name, charity number 209780, company number 00089953 or such organisation as may replace it from time to time
"the Society"	means the company intended to be regulated by the Articles whose name is Stanborough Press Ltd
"United Kingdom"	means Great Britain and Northern Ireland
"Working Party"	means a body established by the Board to make recommendations to the Board but without decision-making powers

1.2 In the Articles:

- 1.2.1 terms defined in the Act are to have the same meaning;
- 1.2.2 references to the singular include the plural and vice-versa and to the masculine include the feminine and neuter and vice-versa;
- 1.2.3 references to "organisations" or "persons" include corporate bodies, public

bodies, unincorporated associations and partnerships;

1.2.4 references to legislation, regulations, determinations and directions include all amendments, replacements or re-enactments and references to legislation (where appropriate) include all regulations, determinations and directions made or given under it;

1.2.5 references to articles are to those within the Articles; and

1.2.6 headings are not to affect the interpretation of the Articles.

1.3 For the avoidance of doubt the system of law governing the Memorandum and the Articles is the law of England and Wales.

1.4 None of the model articles in the Companies (Model Articles) Regulations 2008 applies to the Society.

2 NAME

The name of the Society is Stanborough Press Ltd.

3 OBJECTS

The Society's objects are, for the public benefit, the advancement of religion in accordance with the teaching of the Seventh-day Adventists by (but not limited to) the publication and circulation of materials through whatever media including (but not limited to), in furtherance of that object, the publication of materials on theology, biblical teaching, health, family life, and education.

4 POWERS

Provided always that the exercise of the powers conferred by this Article shall be restricted to matters legally charitable, the Society may do anything that a natural or corporate person can lawfully do which is not expressly prohibited by the Articles in order to further the Objects (but not otherwise) and in particular it has powers:

Staff and Volunteers

4.1 to employ staff or engage consultants and advisers on such terms as the Board thinks fit and to provide pensions to staff, their relatives and dependants;

4.2 to recruit or assist in recruiting and managing voluntary workers, including paying their reasonable expenses;

Property

4.3 to purchase take on lease or exchange hire or otherwise acquire any real or personal property and any rights or privileges which the Society may think necessary or convenient in the prosecution of its works;

4.4 to construct, alter, improve, convert, maintain, equip, furnish and/or demolish any buildings, structures or property;

- 4.5 to sell, lease, license, exchange, dispose of or otherwise deal with property (subject to the restrictions in the Charities Act 2001);
- 4.6 to provide accommodation for any other charitable organisation on such terms as the Board decides (including rent-free or at nominal or non-commercial rents) subject to the restrictions in the Charities Act 2011;

Borrowing

- 4.7 to receive or borrow money on loan deposit or otherwise and to give mortgages bonds debentures liens or charges over or upon the Society's capital and property or any parts thereof as security for the repayment of any moneys so received or borrowed by the Society and of any interest thereon;

Grants and Loans

- 4.8 to give or procure any guarantee or other security for the performance of any contract or business undertaken by the Society or in which the Society may be interested and to make grants, donations or loans (subject to the restrictions in the Charities Act 2011);

Fund Raising

- 4.9 to raise funds, to invite and receive contributions;

Trading

- 4.10 to trade in the course of carrying out the Objects and to charge for services;

Publicity

- 4.11 to hold, conduct or promote meetings, conferences, lectures, exhibitions or training courses and to disseminate information to publicise the work of the Society and other organisations operating in similar fields;
- 4.12 to promote or carry out research and publish the results of it;

Contracts

- 4.13 to co-operate with and enter into contracts with any person;

Bank or building society accounts

- 4.14 to make draw accept endorse discount issue sign and execute promissory notes bills of exchange and all other securities and deeds and instruments of every other description and to operate bank or building society accounts in the name of the Society;

Investments

- 4.15 to:-
 - 4.15.1 deposit or invest funds;

4.15.2 employ a professional fund-manager; and

4.15.3 arrange for the investments or other property of the Society to be held in the name of a nominee

in the same manner and subject to the same conditions as trustees of a trust are permitted to do by the Trustee Act 2000.

Insurance

4.16 to insure the assets of the Society to such amount and on such terms as the Board decides, to pay premiums out of income or capital and to use any insurance proceeds as the Board decides (without necessarily having to restore the asset);

4.17 to insure and to indemnify the Society's employees and voluntary workers from and against all risks incurred in the proper performance of their duties;

4.18 to take out insurance to protect the Society and those who use premises owned by or let or hired to the Society;

4.19 to provide indemnity insurance for the Directors in accordance with, and subject to the conditions in the Charities Act 2011;

Other Organisations

4.20 to establish, promote, assist or support (financially or otherwise) any trusts, companies, industrial and provident societies, associations or institutions which have purposes which include the Objects or to carry on any other relevant charitable purposes;

4.21 to co-operate or join with any charity, voluntary body or public or statutory authority or any other organisation in any location whatsoever in furthering the Objects or allied charitable purposes, to exchange information and advice and to undertake joint activities with them;

4.22 to amalgamate with any charity which has objects similar to the Objects;

4.23 to undertake and execute any charitable trusts;

4.24 to affiliate, register, subscribe to or join any organisation;

4.25 to act as agent or trustee for any organisation;

Reserves

4.26 to accumulate income in order to set aside funds for special purposes or as reserves against future expenditure;

Formation expenses

4.27 to pay the costs of forming the Society and of complying with all relevant registration requirements;

Other Specific Powers

- 4.28 to carry on the business of printers bookbinders booksellers and dealers in and distributors of books periodicals tracts and other printed matter;
- 4.29 to publish through any available media (whether digital, electronic, or otherwise);
- 4.30 to accept legacies donations subscriptions or real or personal property of any kind whatsoever;
- 4.31 the provision of food consistent with Adventist practices;

General

- 4.32 to do all or any of the above mentioned things in any part of the world where the same may lawfully be done respectively; and
- 4.33 to do all such other things as may be incidental or necessary to the attainment of the above Objects.

5 APPLICATION OF FUNDS

- 5.1 The business of the Society shall be conducted without profit to the Members of the Society so that no dividends will be paid upon the shares, but the profits of the business shall go into a special fund. This fund shall be at the disposal of the Society for promoting the Objects.
- 5.2 The income and property of the Society however derived shall be applied solely toward the promotion of the Objects and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus, or otherwise howsoever, by way of profit to the Members of the Society, provided that nothing herein contained shall prevent:
 - 5.2.1 the payment in good faith of reasonable and proper remuneration for any services actually rendered to the Society by any officer or servant of the Society or any Member of the Society or other person not being a Director;
 - 5.2.2 the payment in good faith of remuneration to not more than four of the Directors at any one time, for defined services actually rendered to the Society and undertaken in the administration of the Society in a sum which is not more than is reasonable for such services and which the Society can afford from its income provided that such Directors shall withdraw from any meetings at which their employment or remuneration is under discussion;
 - 5.2.3 the payment of interest at a rate not exceeding £5 per centum per annum, for any money borrowed from any Member of the Society whether or not a Director;
 - 5.2.4 the payment of a reasonable rent or hiring fee for the use of property hired or rented to the Society, by any Member of the Society, whether or not a Director;
 - 5.2.5 the reimbursement of reasonable out of pocket expenses to any Member of the Society whether or not a Director; and
 - 5.2.6 the benefit of indemnity insurance under Article 4.19

provided that the Directors who are currently receiving payments or benefits from the Society (other than reimbursement of expenses as aforesaid) shall not be capable of forming a majority at any meeting of such Board or any of its Committees.

- 5.3 If any Member of the Society pays or receives any dividend bonus, or other profit, in contravention of Article 5.2 above, his liability shall be unlimited.
- 5.4 It shall not be in the power of the Society to declare any dividend to be paid to the Members of the Society.
- 5.5 If any profit shall arise on the business of the Society, whether in the ordinary course of business or in the shape of legacies, donations, or subscriptions, or of interest on loans or deposits, or of income derived from investments or otherwise, the said profits shall be applied by the Society in the manner specified in these Articles.

PART B. SOCIETY MEMBERSHIP

6 MEMBERS OF THE SOCIETY

- 6.1 The Members of the Society are those admitted to membership of the Society by the Board in accordance with the Articles.
- 6.2 The only Member of the Society shall be the British Union Conference of Seventh-day Adventists provided that the Seventh-day Adventist Association Limited (company number 00089953, charity number 209780) may hold such shares as nominee on behalf of the British Union Conference of Seventh-day Adventists.
- 6.3 The Society is a private company and accordingly no invitation shall be issued to the public to subscribe for any shares or debentures of the Society.

7 ADMISSION OF MEMBERS OF THE SOCIETY

A person may not be admitted by the Board as a Member of the Society:-

- 7.1 unless he has signed a written application to become a Member of the Society in such form as the Board requires (if any);
- 7.2 unless he is aged 18 or over; or
- 7.3 if he would immediately cease to be a Member of the Society under the Articles.

8 TERMINATION OF MEMBERSHIP OF THE SOCIETY

A person will cease to be a Member of the Society if it is an organisation and it ceases to exist.

9 LIABILITY OF MEMBERS OF THE SOCIETY AND CAPITAL OF THE SOCIETY

- 9.1 The liability of the Members of the Society is limited.
- 9.2 The capital of the Society shall be £10,000, divided into 10,000 shares of £1 each, payable upon application, with power to increase the capital to such an amount as the Society may determine subject to the remainder of this Article 9.
- 9.3 The Society in General Meeting may from time to time increase the capital by the creation of new shares of such an amount as may be deemed expedient.
- 9.4 Subject to Articles 6 and 7, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed to them as the General Meeting resolving upon the creation of them shall direct and if no direction be given as the Directors shall determine. For the avoidance of doubt, new shares so issued may establish different classes of membership and set out different rights and obligations for each class, with such rights and obligations recorded in the register of Members of the Society but the Board shall not be obliged to accept any person fulfilling those criteria as a Member of the Society.

Any capital raised by the creation of new shares shall be considered as part of the original capital, and such increased capital shall be subject to the same provisions with reference to profits and dividends as applied to the original capital, as if it had been a part of the capital first raised.

PART C. GENERAL MEETINGS

10 GENERAL MEETINGS

- 10.1 The Board may call a General Meeting at any time, to be held at such time and place as the Board decides subject to Article 11.
- 10.2 On receiving a request from the Members of the Society holding 5% or more of such of the paid up capital of the Society as carries the right of voting at General Meetings the Board must promptly convene a General Meeting in accordance with section 303 of the Companies Act 2006.

11 NOTICE OF GENERAL MEETINGS

- 11.1 Every General Meeting must be called by at least 14 Clear Days' notice.
- 11.2 A General Meeting may be called by shorter notice if this is agreed by a majority in number of the Members of the Society who together hold at least 90% of the shares giving the right to attend and vote at the General Meeting.
- 11.3 The notice must specify:-
 - 11.3.1 the time, date and place of the General Meeting;
 - 11.3.2 the general nature of the business to be transacted; and
 - 11.3.3 if a special resolution is proposed, the fact that the proposed resolution is a special resolution and the wording of the resolution.
- 11.4 Subject to the Act no business may be transacted at a General Meeting except that specified in the notice convening the General Meeting.
- 11.5 Notice of a General Meeting must be given to all of the Members of the Society, the Directors and the Society's auditors (if any).
- 11.6 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.

12 QUORUM

- 12.1 No business may be transacted at a General Meeting unless a quorum is present.
- 12.2 The quorum for General Meetings is a majority of the Members of the Society in number for the time being present in person or by proxy.
- 12.3 A Member of the Society may be part of the quorum at a General Meeting if he can hear, comment and vote on the proceedings through telephone, video conferencing or other communications equipment.

- 12.4 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 shall be dissolved.
- 12.5 A Member which is an organisation may, by resolution of its governing body (or a committee or officer of that organisation acting under powers delegated by its governing body), authorise such person as it thinks fit to act as its representative at General Meetings.
- 12.6 A person authorised under Article 12.5 may exercise the same powers on behalf of the organisation as the organisation could exercise if it were an individual Member.

13 CHAIR AT GENERAL MEETINGS

- 13.1 The Chair is to chair General Meetings.
- 13.2 If the Chair is not present within 15 minutes from the time of the General Meeting or is unwilling to act then the Directors present (if any) will choose someone to chair the General Meeting or, if no Directors are present, the Members of the Society present must choose one of their number to chair the General Meeting.

14 ADJOURNMENT OF GENERAL MEETINGS

- 14.1 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.
- 14.2 The Chair may also adjourn a General Meeting if it appears to the Chair that for any other reason an adjournment is necessary for the business of the meeting to be properly conducted.
- 14.3 The only business that may be transacted at an adjourned General Meeting is that left unfinished from the General Meeting that was adjourned.
- 14.4 It is not necessary to give notice of a General Meeting which is adjourned under Article 14.1 or 14.2 unless it is adjourned for 30 days or more in which case 7 Clear Days' notice must be given.
- 14.5 Resolutions passed at an adjourned General Meeting are to be treated as having been passed on the date on which they were actually passed.

15 VOTING AT GENERAL MEETINGS

- 15.1 Resolutions are to be decided on a show of hands unless a ballot is properly demanded.
- 15.2 Each Member of the Society present in person or by proxy has one vote both on a show of hands and a ballot.
- 15.3 Resolutions which fail to achieve the required majority will be lost.
- 15.4 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.

- 15.5 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.

16 BALLOTS

- 16.1 A ballot may be demanded by the Chair or by any two Members of the Society before or on the declaration of the result of a show of hands.
- 16.2 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.
- 16.3 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.
- 16.4 A ballot is to be taken as the Chair directs. The Chair may appoint scrutineers (who need not be Members of the Society) 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.
- 16.5 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.
- 16.6 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.

17 PROXIES

- 17.1 A Member of the Society may validly appoint a proxy by notice in writing which:
- 17.1.1 states the name and address of the Member of the Society appointing the proxy;
 - 17.1.2 identifies the person appointed to be that Member of the Society's proxy and the General Meeting in relation to which that person is appointed;
 - 17.1.3 is signed by or on behalf of the Member of the Society appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - 17.1.4 is delivered to the Society in accordance with the Articles and any instructions contained in the notice of the General Meeting to which they relate.
- 17.2 A proxy need not be a Member of the Society. The Board may from time to time prescribe a form to appoint a proxy by standing orders made under Article 38. A proxy may not appoint another proxy.

- 17.3 The document appointing a proxy may instruct the proxy which way to vote on particular resolutions.
- 17.4 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.
- 17.5 No document appointing a proxy will be valid for more than 12 months.
- 17.6 A vote given or ballot demanded by proxy is to be valid despite:-
- 17.6.1 the revocation of the proxy; or
 - 17.6.2 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.
- 17.7 A proxy form will not be valid for any part of a General Meeting at which the Member of the Society who appointed the proxy is present.

18 SOCIETY MEMBERS' WRITTEN RESOLUTIONS

- 18.1 A written resolution approved by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of eligible Members of the Society (provided that those Members of the Society would constitute a quorum at a General Meeting) is as valid as if it had been passed at a General Meeting provided that:
- 18.1.1 a copy of the proposed resolution has been sent to every eligible Member of the Society;
 - 18.1.2 a simple majority (or in the case of a special resolution a majority of not less than 75%) of Members of the Society have signified their agreement to the resolution; and
 - 18.1.3 such agreement is contained in an authenticated document that has been received at the Registered Office within the period of 28 days beginning with the circulation date.
- 18.2 A resolution under Article 18.1 may consist of several documents in similar form each approved by one or more Members of the Society.
- 18.3 In the case of a Member that is an organisation, its authorised representative may signify its agreement.

PART D. DIRECTORS

19 APPOINTMENT OF DIRECTORS

- 19.1 The number of Directors on the Board shall be not fewer than nine (9) and not more than fifteen (15).
- 19.2 On or before the appointment of a person as a Director the person must confirm his consent to be appointed as a Director in whatever format the Board may require and provide the information necessary to register the appointment with the Registrar of Companies. The appointment of any person as a Director who has not given his consent to act as a Director within one month of the date of the appointment will lapse unless the Board resolves that there is good cause for the delay.
- 19.3
- 19.3.1 Apart from the Directors appointed under Article 19.4 and Article 19.5 and subject to Article 19.6, the Directors shall be nominated by the Board and elected by the Members of the Society and shall serve (subject to Article 21) until the next General Meeting held immediately following the fifth anniversary of their appointment (such term being as close to 5 years as practicable).
- 19.3.2 In the case of the Directors in office at the time that these Articles are adopted (apart from the managing director of the Society and the chief financial officer of the Society), they will be deemed to have been appointed in accordance with Article 19.3.1.
- 19.4
- 19.4.1 The managing director of the Society, the chief financial officer of the Society and the editor of the Society shall be appointed to those roles by the British Union Conference of Seventh-day Adventists and by virtue of such appointment will automatically be Directors for the period during which they hold those appointments.
- 19.4.2 The appointment of any Directors under Article 19.4.1 is to take effect when the British Union Conference of Seventh-day Adventists delivers written notice of appointment addressed to the Secretary to:-
- 19.4.2.1 the Registered Office;
- 19.4.2.2 a Board Meeting; or
- 19.4.2.3 the Secretary in person.
- 19.5 The ABC manager shall be appointed by the Board and by virtue of such appointment will automatically be a Director for the period during which he holds that appointment.
- 19.6 A person may not be appointed as a Director:
- 19.6.1 unless he is 18 or over;

- 19.6.2 if he would immediately cease to hold office under the Articles; or
- 19.6.3 unless, in the reasonable opinion of the Board, they are a member in regular standing of a Seventh-day Adventist church.
- 19.7 In respect of Directors appointed under Article 19.3.1, the Board may (subject to Articles 19.1, 19.2 and 19.6) fill any vacancies occurring between General Meetings provided that such Directors must step down at the next General Meeting after their appointment, unless they are reappointed at that General Meeting in accordance with Article 19.3.1.

20 OBLIGATIONS OF DIRECTORS

- 20.1 The Board must set out in writing the principal obligations of every Director to the Board and to the Society. The statement of Directors' obligations is not intended to be exhaustive and the Board may review and amend it from time to time.
- 20.2 The statement of the obligations of the Directors to the Society must include:-
 - 20.2.1 a commitment to its values and objectives;
 - 20.2.2 an obligation to contribute to and share responsibility for the Board's decisions;
 - 20.2.3 an obligation to read Board papers and to attend Board Meetings, training sessions and other relevant events;
 - 20.2.4 an obligation to declare relevant interests;
 - 20.2.5 an obligation (subject to any overriding legally binding requirement to the contrary) to keep confidential the affairs of the Board;
 - 20.2.6 an obligation to comply with statutory and fiduciary duties, including:-
 - 20.2.6.1 to act in the best interests and promote the success of the Society;
 - 20.2.6.2 to declare any interests a Director may have in matters to be discussed at Board Meetings and not put himself in a position where his personal interest or a duty owed to another conflicts with the duties owed to the Society;
 - 20.2.6.3 to secure the proper and effective use of the Society's property;
 - 20.2.6.4 to act personally;
 - 20.2.6.5 to act within the scope of any authority given;
 - 20.2.6.6 to use the proper degree of skill and care when making decisions particularly when investing funds; and
 - 20.2.6.7 to act in accordance with the Articles; and

20.2.7 a reference to obligations under the general law.

20.2.8 A Director must sign and deliver to the Board a statement confirming he will meet his obligations to the Board and to the Society as set out in above within one month of his appointment.

21 RETIREMENT AND REMOVAL OF DIRECTORS

21.1 A Director will cease to hold office if:-

21.1.1 in the case of the managing director, the chief financial officer, the ABC manager and the editor of the Society any of them cease to hold those positions;

21.1.2 he dies;

21.1.3 he ceases to be a director under the Act, is prohibited by law from being a director or a charity trustee or is disqualified from acting as a charity trustee under the Charities Act 2011;

21.1.4 he in the reasonable opinion of the Board, becomes incapable of fulfilling his duties and responsibilities as a Director because of illness or injury and the Board resolves that he be removed as a Director;

21.1.5 he is declared bankrupt or makes any arrangement or composition with his creditors;

21.1.6 he is in the opinion of the Board guilty of conduct detrimental to the interests of the Company and the Board resolves by a 75% majority of the Directors present and voting at a properly convened Board Meeting that he should be removed provided that the Director concerned has first been given an opportunity to put his case and to justify why he should not be removed as a Director;

21.1.7 he resigns by written notice to the Company at the Registered Office;

21.1.8 he is absent without good reason from three consecutive Board Meetings held no more frequently than once per month and the Board resolves (by a 75% majority of the Directors present and voting at a properly convened Board Meeting) that he should cease to be a Director;

21.1.9 he fails to sign a statement of his obligations under Article 20 within one month of his appointment and the Board resolves that he be removed;

21.1.10 his term of office comes to an end and he is not re-appointed in accordance with Article 19;

21.1.11 his appointment comes to an end in accordance with Article 19.7 and he is

not re-appointed in accordance with Article 19; or

21.1.12 he has, in the reasonable opinion of the Board, ceased to be a member in regular standing of a Seventh-day Adventist church.

22 CONFLICTS OF INTEREST

22.1 Declaration of interests

22.1.1 If a Director is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Society, he must declare the nature and extent of that interest to the other Directors.

22.1.2 In accordance with the Act, the declaration may be made at a Board Meeting or by written notice.

22.1.3 If a declaration of interest proves to be or becomes inaccurate or incomplete a further declaration must be made.

22.1.4 Any required declaration of interest must be made before the Society enters into the transaction or arrangement.

22.1.5 A declaration is not required in relation to an interest of which the Director is not aware or where the Director is not aware of the transaction or arrangement in question. For this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware.

22.1.6 A Director need not declare an interest:-

22.1.6.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interests; or

22.1.6.2 if, and to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as being aware of anything of which they ought reasonably to be aware).

22.2 Authorisation of direct conflicts of interests

A Director may enter into a transaction or arrangement with the Society only if and to the extent that such an arrangement is authorised by Article 5.

22.3 Authorisation of indirect conflicts of interest

22.3.1 Where, for whatever reason, a Director has any form of indirect interest in relation to a transaction or arrangement with the Society (which shall include a conflict of duty) and the transaction or arrangement is not authorised by virtue of any other provision in the Articles then it may be authorised by those Directors not having a conflict provided that:-

22.3.1.1 the Director with the conflict (and any other interested Director) is not counted when considering whether or not there is a valid quorum for that part of the Board Meeting and does not vote in relation to the matter giving rise to the conflict; and

22.3.1.2 the Directors who do not have a conflict in relation to the matter in question consider it is in the best interests of the Society to authorise the transaction.

22.3.2 The Directors who do not have a conflict in relation to the matter in question may, in their absolute discretion, determine that the Director with the conflict and/or any other interested Director should absent himself from the part of the Board Meeting at which there is discussion concerning the transaction or arrangement giving rise to the conflict.

PART E. BOARD MEETINGS

23 FUNCTIONS OF THE BOARD

The Board must direct the Society's affairs in such a way as to promote the Objects. Its functions include:-

- 23.1 defining and ensuring compliance with the values and objectives of the Society;
- 23.2 establishing policies and plans to achieve those objectives;
- 23.3 approving each year's budget and accounts before publication;
- 23.4 establishing and overseeing a framework of delegation of its powers to Committees and Working Parties (under Article 28) and employees with proper systems of control;
- 23.5 monitoring the Society's performance in relation to its plans budget controls and decisions;
- 23.6 appointing (and if necessary removing) employees;
- 23.7 satisfying itself that the Society's affairs are conducted in accordance with generally accepted standards of performance and propriety; and
- 23.8 ensuring that appropriate advice is taken on the items listed in Articles 23.1 to 23.7 and in particular on matters of legal compliance and financial viability.

24 POWERS OF THE BOARD

- 24.1 Subject to the Act and the Articles, the business of the Society is to be managed by the Board who may exercise all of the powers of the Society.
- 24.2 An alteration to the Articles does not invalidate earlier acts of the Board which would have been valid without the alteration.

25 BOARD MEETINGS

- 25.1 Subject to the Articles, the Board may regulate Board Meetings as it wishes.
- 25.2 7 Clear Days' notice of Board Meetings must be given to each of the Directors. Such notice shall be given either by regular post at the address in the records of the Society, facsimile, email or personal notification.
- 25.3 A Board Meeting which is called on shorter notice than required under Article 25.2 is deemed to have been duly called if at least two Directors certify in writing that because of special circumstances it ought to be called as a matter of urgency.
- 25.4 Matters arising at a Board Meeting are to be decided by a simple majority of votes and, subject to Article 25.7, each Director is to have one vote.

- 25.5 Any action required or permitted by these Articles to be taken by the Board may be taken without a Board Meeting, if the unanimous consent of all the Directors is received in writing, including by fax or by e-mail. The written consents, printed copies of all e-mail consents or approved minutes of the telephone conference shall be filed with the minutes of the proceedings of the Board. The consent shall have the same effect as a vote of the Board for all purposes.
- 25.6 A Director may be part of the quorum at a Board Meeting if he can hear comment and vote on the proceedings through telephone, video conferencing or other communications equipment. Participation in such a Board Meeting shall constitute presence in person at the Board Meeting.
- 25.7 If there is an equality of votes the Chair (if he is a Director) is entitled to a second or casting vote.
- 25.8 A technical defect in the appointment of a Director or in the delegation of powers to a Committee of which the Board is unaware at the time does not invalidate decisions taken in good faith.

26 QUORUM FOR BOARD MEETINGS

- 26.1 Subject to Article 5.2, the quorum for Board Meetings is a majority of the Directors appointed from time to time. A majority vote of a quorum present shall be considered an act of the Board. There is no cumulative voting or proxy voting by Directors.
- 26.2 The Board may act despite vacancies in its number but if the number of Directors is less than 7 then the Board may act only to recommend new Directors to the Members of the Society under Article 19.
- 26.3 At a Board Meeting which remains inquorate for 15 minutes after its starting time or one which becomes inquorate for more than 15 minutes the Directors present may act only to:-
- 26.3.1 adjourn it to such other time and place as they decide; or
- 26.3.2 call a General Meeting; or
- 26.3.3 recommend new Directors to the Members of the Society under Article 19.
- 26.4 If at the adjourned Board Meeting there are again insufficient Directors present within 15 minutes from the time of the adjourned Board Meeting to constitute a quorum then those Directors who are present (provided that they number at least two) shall constitute a quorum for the purpose of allowing any business of the adjourned Board Meeting to be conducted.

27 CHAIR

- 27.1 The Society must have a Chair. The Chair shall be the President of the British Union Conference from time to time.

- 27.2 Where there is no Chair the first item of business at a Board Meeting must be to appoint a person to act as Chair for the duration of the Board Meeting.
- 27.3 The Chair is to chair all Board Meetings and General Meetings at which he is present unless he does not wish or is not able to do so.
- 27.4 The functions of the Chair are:-
 - 27.4.1 to act as an ambassador for the Society and to represent the views of the Board to the general public and other organisations;
 - 27.4.2 to ensure that Board Meetings and General Meetings are conducted efficiently;
 - 27.4.3 to give all Directors an opportunity to express their views;
 - 27.4.4 to establish a constructive working relationship with and to provide support for the employees;
 - 27.4.5 where necessary (and in conjunction with the other Directors) to ensure that, where the post of any employee is or is due to become vacant, a replacement is found in a timely and orderly fashion;
 - 27.4.6 to encourage the Board to delegate sufficient authority to its Committees to enable the business of the Society to be carried on effectively between Board Meetings;
 - 27.4.7 to ensure that the Board monitors the use of delegated powers; and
 - 27.4.8 to encourage the Board to take professional advice when it is needed and particularly before considering the dismissal of an employee.

28 COMMITTEES AND WORKING PARTIES

- 28.1 The Board may:-
 - 28.1.1 establish Committees consisting of those persons whom the Board decide;
 - 28.1.2 delegate to a Committee any of its powers; and
 - 28.1.3 revoke a delegation at any time.
- 28.2 The Board may establish Working Parties consisting of those persons whom the Board decide. A Working Party may not take decisions on behalf of the Board but may consider issues in depth with a view to making recommendations to the Board.
- 28.3 The members of a Committee or a Working Party are to be appointed by the Board but the Board may give a Committee or a Working Party the right to co-opt individuals to its membership. The Board is to determine the chair of each Committee or Working Party.
- 28.4 Each member of a Committee or Working Party (including the chair) is to hold office from the date of his appointment until the term of office for which he has been appointed expires or until he resigns or is removed by the Board from the

Committee or Working Party.

- 28.5 The Board must determine the quorum for each Committee and Working Party it establishes.
- 28.6 The Board must specify the financial limits within which any Committee may function. A Working Party can have no authority to incur expenditure.
- 28.7 Every Committee or Working Party must report its proceedings and decisions to the Board as the Board determines.

29 OBSERVERS

- 29.1 Subject to Article 29.4, the Board may allow individuals who are not Directors to attend Board Meetings as Observers on whatever terms the Board decides.
- 29.2 Observers may not vote but may take part in discussions with the prior approval of the Board.
- 29.3 The Board may exclude Observers from any part of a Board Meeting where the Board considers the business is private.
- 29.4 The Board must exclude an Observer from any Board Meeting at which a possible personal benefit to him is being considered.

30 COMMITTEE'S WRITTEN RESOLUTIONS

- 30.1 Any action required or permitted by these Articles to be taken by a Committee may be taken without a meeting, if the unanimous consent of all the members of the Committee is received in writing, including by fax or by e-mail. The written consents, printed copies of all e-mail consents or approved minutes of the telephone conference shall be filed with the minutes of the proceedings of the Committee. The consent shall have the same effect as a vote of the Committee for all purposes.
- 30.2 A resolution under Articles 30.1 may consist of several documents in similar form each approved by one or more of the members of the Committee.

PART F. OFFICERS

31 THE SECRETARY

- 31.1 The Board may decide whether or not a Secretary is appointed.
- 31.2 Where appointed, a Secretary may be removed by the Board at any time.
- 31.3 If a Director is appointed as Secretary he shall not receive any remuneration for acting in that capacity.

32 INDEMNITIES FOR OFFICERS AND EMPLOYEES

- 32.1 The Society may indemnify any officer or employee (other than a Director) against any liability incurred by him in his capacity as such except when that liability is due to his own dishonesty or gross negligence.
- 32.2 Subject to the Act (in particular sections 232-238 of the Companies Act 2006 or any section of any other statute amending or replacing sections 232-238), the Charities Act 2011 and Article 32.3, the Society may indemnify any Director against any liability incurred by him in his capacity as such.
- 32.3 The indemnity provided to a Director in accordance with Article 32.2 may not include any indemnity against liability:-
 - 32.3.1 to the Society or a company associated with it;
 - 32.3.2 for fines or penalties; or
 - 32.3.3 incurred as a result of his unsuccessful defence of criminal or civil proceedings.
- 32.4 The indemnity provided to a Director in accordance with Article 32.2 may include the provision of funds to cover his legal costs as they fall due on terms that the Director in question will repay the funds if he is unsuccessful in his defence of the criminal or civil proceedings to which these costs relate
- 32.5 In respect to its auditor the Society may:-
 - 32.5.1 purchase and maintain insurance for his benefit against any liability incurred by him in his capacity as such; and
 - 32.5.2 indemnify him against any liability incurred in defending any proceedings (whether civil or criminal) in which judgment is given in his favour or he is acquitted or in connection with any application under Section 1157 of the Companies Act 2006 or any section of any other statute amending or replacing Section 1157 in which relief is granted to him by the Court.

PART G. STATUTORY AND MISCELLANEOUS

33 MINUTES

- 33.1 The Board must arrange for minutes to be kept of all General Meetings and Board Meetings. The names of the Directors present must be included in the minutes.
- 33.2 Copies of the draft minutes of Board Meetings must be distributed to the Directors as soon as reasonably possible after the Board Meeting and in any case seven days before the next Board Meeting (unless the next Board Meeting is an urgent Board Meeting).
- 33.3 Minutes must be approved as a correct record at the next General Meeting (as regards minutes of General Meetings) or Board Meeting (as regards minutes of Board Meetings). Once approved they must be signed by the person chairing the meeting at which they are approved.
- 33.4 The Board must keep minutes of all of the appointments made by the Board.

34 ACCOUNTS ANNUAL REPORT, CONFIRMATION STATEMENT AND ANNUAL RETURN

- 34.1 The Company must comply with the Act and the Directors must comply with their obligations as charity trustees under the Charities Act 2011 in:-
 - 34.1.1 preparing and filing an annual Directors' report and annual accounts and sending them to the Charity Commission; and
 - 34.1.2 making a confirmation statement to the Registrar of Companies and an annual return the Charity Commission.
- 34.2 The Company must comply with the Act in relation to the audit or examination of accounts (to the extent that the law requires).
- 34.3 The annual Directors' report and accounts must contain:-
 - 34.3.1 revenue accounts and balance sheet for the last accounting period;
 - 34.3.2 the auditor's report on those accounts (if applicable); and
 - 34.3.3 the Board's report on the affairs of the Company.
- 34.4 The accounting records of the Company must always be open to inspection by a Director.

35 BANK AND BUILDING SOCIETY ACCOUNTS

- 35.1 All bank and building society accounts must be controlled by the Board and must include the name of the Society.
- 35.2 A cheque or order for the payment of money must be signed in accordance with the

Board's instructions.

36 EXECUTION OF DOCUMENTS

Unless the Board decides otherwise, documents which are executed as deeds must be signed by

- 36.1 two Directors;
- 36.2 one Director and the Secretary (where appointed); or
- 36.3 one Director in the presence of a witness who attests the Director's signature.

37 NOTICES

- 37.1 Notices under the Articles must be in writing (which shall include facsimile transmission or email) except notices calling Board Meetings which shall be governed by Article 25.
- 37.2 A Member of the Society present in person at a General Meeting is deemed to have received notice of the General Meeting and (where necessary) of the purposes for which it was called.
- 37.3 The Society may give a notice to a Member of the Society, Director or auditor either:
 - 37.3.1 personally;
 - 37.3.2 by sending it by post in a prepaid envelope;
 - 37.3.3 by facsimile transmission;
 - 37.3.4 by leaving it at his address; or
 - 37.3.5 by email.
- 37.4 Notices under Article 37.3.2 to 37.3.5 may be sent:-
 - 37.4.1 to an address in the United Kingdom which that person has given the Society;
 - 37.4.2 to the last known home or business address of the person to be served; or
 - 37.4.3 to that person's address in the Society's register of Members of the Society.
- 37.5 Proof that an envelope containing a notice was properly addressed prepaid and posted is conclusive evidence that the notice was given 48 hours after it was posted.
- 37.6 Proof that a facsimile transmission was made is conclusive evidence that the notice was given at the time stated on the transmission report.
- 37.7 A copy of the notification from the system used by the Society to send emails, that the email has been sent to the particular person, will be conclusive evidence that the notice was sent and such notice will be deemed to have been delivered 24

hours after it was sent.

- 37.8 A notice may be served on the Society by delivering it or sending it to the Registered Office.
- 37.9 The Board may make standing orders to define other acceptable methods of delivering notices.

38 STANDING ORDERS

- 38.1 Subject to Article 38.4;
 - 38.1.1 the Board may from time to time make, alter, add to or repeal standing orders for the proper conduct and management of the Society; and
 - 38.1.2 the Society in General Meeting may alter, add to or repeal the standing orders.
- 38.2 The Board must adopt such means as they think sufficient to bring the standing orders to the notice of Members of the Society.
- 38.3 Standing orders are binding on all Members of the Society and Directors.
- 38.4 No standing order may be inconsistent with or may affect or repeal anything in the Articles.

39 Rules of Order

At all General Meetings and Board Meetings the General Conference of Seventh-day Adventists' (Headquarter Office, Silver Spring, Maryland USA) Rules of Order as then in effect shall control the proceedings of such meetings subject always to the Act, the Charities Act 2011 and the Articles.

40 WINDING UP

If upon the winding up or dissolution of the Society there remains, after the satisfaction of all its debts and liabilities, any assets or property of any kind whatsoever and, howsoever obtained, the same shall not be paid to or distributed among the Members of the Society; but it shall be the duty of the Members of the Society, after consultation with the British Union Conference of Seventh-day Adventists either to transfer any remaining assets to one or more other charities having objects similar to the Objects or apply the same in otherwise furthering the religious or other charitable work of Seventh-day Adventists.