

**The Companies Act 2006**

**Company Limited by Guarantee without Share Capital**

## **Articles of Association**

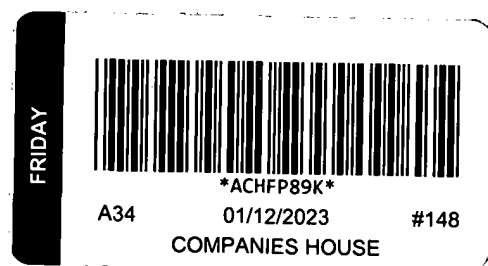
**of**

**WaterAid**

**Company Number: 01787329**



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## **The Companies Act 2006**

### **Company Limited by Guarantee without Share Capital**

#### **Index to Articles of Association of WaterAid**

##### **CONTENTS**

<b>PART I - CHARITABLE STATUS AND CAPACITY.....</b>	<b>2</b>
<b>PURPOSES AND POWERS .....</b>	<b>2</b>
1. Purposes.....	2
2. Powers .....	2
<b>LIMITATION ON PRIVATE BENEFIT .....</b>	<b>4</b>
3. Application of Income and Property .....	4
<b>LIMITATION OF LIABILITY AND INDEMNITY .....</b>	<b>6</b>
4. Liability of members .....	6
5. Indemnity .....	7
<b>WINDING UP .....</b>	<b>7</b>
6. Winding up .....	7
<b>PART II – TRUSTEES .....</b>	<b>8</b>
<b>THE ROLE OF THE TRUSTEES .....</b>	<b>8</b>
7. Management of the Charity’s business .....	8
8. Ability to delegate .....	8
9. Officers.....	9
<b>HOW TRUSTEES MAKE DECISIONS .....</b>	<b>9</b>
10. The Trustees must take decisions collectively .....	9
11. Calling a Trustees’ meeting .....	9
12. Procedure for Trustees’ meetings .....	10
13. Decisions without a meeting .....	10
14. Conflicts.....	11
15. Validity of Trustee actions .....	12
<b>APPOINTMENT AND RETIREMENT ETC. OF TRUSTEES.....</b>	<b>12</b>
16. Number of Trustees and Board Composition .....	12
17. Appointment and retirement of Trustees .....	12
18. Disqualification and removal of Trustees .....	13
<b>PART III - MEMBERS.....</b>	<b>14</b>
<b>BECOMING AND CEASING TO BE A MEMBER.....</b>	<b>14</b>
19. Becoming and ceasing to be a member .....	14
20. Associate members .....	14
<b>ORGANISATION OF GENERAL MEETINGS .....</b>	<b>14</b>

21.	General meetings .....	14
22.	Written resolutions .....	14
PART IV - ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS .....		17
23.	Communications by the Charity .....	17
24.	Secretary .....	18
25.	Irregularities .....	18
26.	Minutes .....	18
27.	Records and accounts .....	18
28.	Interpretation .....	19
29.	Exclusion of model articles .....	19
Schedule 1 - Interpretation – Defined Terms .....		20

## **Preamble to the Articles of Association**

### **History:**

In 1981, members of the UK water industry united to create WaterAid - a single international organisation dedicated to ending the water crisis. The UK water industry has ever since played an active role in supporting WaterAid to expand access to safe and sustainable water, sanitation and hygiene (WASH) to achieve WaterAid's vision of a world where everyone, everywhere has safe and sustainable water, sanitation and hygiene.

### **Work:**

WaterAid has developed into the largest not-for-profit global organisation that focuses solely on sustainable and safe WASH. With supporters and partners around the world, WaterAid has directly reached tens of millions of people with clean water, decent toilets and good hygiene as a part of everyday life. WaterAid has contributed to WASH access for tens of millions more by strengthening sector capacity and influencing hundreds of millions of individuals, dozens of governments and multiple organisations on the power of universal, sustainable and safe WASH.

### **Looking Ahead:**

WaterAid seeks to catalyse the change that will deliver the essentials of clean water, decent toilets and hygiene to everyone, everywhere. Through increased ambition for new partnerships, WaterAid will reach millions more people

WaterAid's aims are to achieve universal, sustainable and safe access to WASH in focused geographical areas, to influence wider change, to prioritise WASH across the health sector to improve public health, to strengthen the resilience of WASH to climate change and to increase the quality and quantity of financing for WASH. To realise these goals, WaterAid's core approach has four key aspects: services, capacity and influencing; partnerships and alliances; gender equality and evidence; learning and innovation. These cut across WaterAid's aims, detailing the ways WaterAid will work to drive change and bring WaterAid's vision for the future to life.

### **Governance:**

WaterAid is governed by its board of trustees. The board has ultimate responsibility and accountability for the governance, activities and strategic direction of WaterAid. The board's role is to ensure that WaterAid is governed in accordance with these Articles and in line with its vision and aims, whilst upholding WaterAid's values and delivering its charitable purposes. Trustees give up their time and energy voluntarily to ensure that WaterAid is well-managed and complies with all legal, statutory and regulatory requirements. Trustees are expected to be positive and passionate advocates of WaterAid and to challenge management and the organisation to ensure the aims are being met appropriately and effectively. The board's composition should reflect the diversity, reputation and expertise vital for promoting WaterAid's success.

WaterAid has historically had company law members from the UK water companies and industry bodies. However, WaterAid now operates under a foundation structure with its company law membership made up of the board of trustees. Longstanding supporters of WaterAid, such as previous company law members of WaterAid, have the opportunity to continue to support WaterAid and to share in WaterAid's vision and support WaterAid's purpose, without the responsibility and burden of company law membership.

# **The Companies Act 2006**

## **Company Limited by Guarantee without Share Capital**

### **Articles of Association of WaterAid**

#### **PART I - CHARITABLE STATUS AND CAPACITY**

##### **PURPOSES AND POWERS**

##### **1. Purposes**

- 1.1 The objects for which the Charity is established are, for the public benefit:
  - 1.1.1 to relieve poverty and suffering in any part of the world through (i) the improvement of water supplies, sanitation and hygiene services, and (ii) providing advice on related health matters; and
  - 1.1.2 to advance education concerning the nature, causes and effects of such poverty and suffering related to inadequate water supplies, sanitation and/or hygiene services.
- 1.2 Nothing in the objects shall authorise an application of property for purposes which are not charitable in accordance with s.7 of the Charities and Trustee Investment (Scotland) Act 2005.

##### **2. Powers**

- 2.1 The Charity has power to do anything which helps to promote its purposes. For the avoidance of doubt (and without limit) the Charity may:

##### ***Water supplies, education and technology***

- 2.2 make provision for or assist in the planning, building and maintenance of water supply and sanitation systems;
- 2.3 provide financing and system strengthening for the water, sanitation and hygiene sector;
- 2.4 assist in or make provision for the education and information of local communities;
- 2.5 support the introduction, adaption, development and application of relevant technologies;
- 2.6 support the location and assessment of sources of safe water;

##### ***Manage its finances***

- 2.7 raise funds;
- 2.8 borrow money (including, without limit, for the purposes of investment or raising funds);
- 2.9 accept or disclaim gifts (of money and/or other property);
- 2.10 lend money and give credit to, take security for such loans or credit, and guarantee or give security for the performance of contracts by, any person or company;

- 2.11 invest money not immediately required for its purposes in or upon any investments, securities, or property;
- 2.12 set aside funds for particular reasons, or as reserves;
- 2.13 support, work and collaborate with other members of the global WaterAid federation;
- 2.14 open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- 2.15 give guarantees or other security for the repayment of money borrowed, for a grant, or for the discharge of an obligation (but only in accordance with the restrictions in the Charities Act 2011); and

***Manage its property affairs***

- 2.16 dispose of, or deal with, all or any of its property (but only in accordance with the restrictions in the Charities Act 2011);
- 2.17 acquire or rent property of any kind and any rights or privileges in and over property and construct, maintain, alter and equip any buildings or facilities;
- 2.18 arrange for investments or other property of the Charity to be held in the name of a nominee or nominees (and pay any reasonable fee for this);
- 2.19 impose (revocable or irrevocable) restrictions on the use of any property of the Charity, including (without limitation) by creating permanent endowment;
- 2.20 incorporate and acquire subsidiary companies; and
- 2.21 insure the property of the Charity against any foreseeable risk and take out other insurance policies as are considered necessary by the Trustees to protect the Charity;

***Work with other organisations***

- 2.22 establish and support (or aid in the establishment and support of) any other organisations, execute charitable trusts and subscribe, lend or guarantee money or property for charitable purposes;
- 2.23 become a member, associate or affiliate of or act as trustee or appoint trustees of any other organisation (including without limit any charitable trust, including a charitable trust of permanent endowment property held for any of the charitable purposes included in the Charity's purposes);
- 2.24 co-operate with charities, voluntary bodies, statutory authorities and other bodies and exchange information and advice with them; and
- 2.25 amalgamate or merge with or acquire or undertake all or any of the property, liabilities and engagements of any body;

***Manage its day-to-day operations***

- 2.26 subject to Article 3 (Application of income and property):
  - 2.26.1 engage and remunerate staff and advisers;
  - 2.26.2 make reasonable provision for the payment of pensions and other benefits to or on behalf of employees and their spouses and dependants; and
  - 2.26.3 enter into compromise and settlement arrangements with them;
- 2.27 alone or with other organisations, seek to influence public opinion and make representations to and seek to influence governmental and other bodies and institutions regarding the reform, development and implementation of appropriate policies, legislation and regulations provided that all such activities shall be confined to those which an English and Welsh charity may properly undertake; and
- 2.28 provide indemnity insurance for:
  - 2.28.1 the Trustees, in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011; and
  - 2.28.2 officers who are not Trustees, subject to such conditions as the Trustees shall determine.

**LIMITATION ON PRIVATE BENEFIT**

**3. Application of Income and Property**

***The general rule***

- 3.1 The income and property of the Charity shall be applied solely towards the promotion of its purposes.
- 3.2 A Trustee:
  - 3.2.1 is entitled to be reimbursed from the property of the Charity or may pay out of such property reasonable expenses properly incurred by them when acting on behalf of the Charity.
  - 3.2.2 may benefit from trustee indemnity insurance cover purchased at the Charity's expense, as permitted under Article 2.28.
  - 3.2.3 may receive payment under an indemnity from the Charity in accordance with the indemnity provisions set out at Article 5.
  - 3.2.4 may not receive any other benefit or payment unless it is authorised by Article 3.6.
- 3.3 Subject to the remainder of this Article 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 Trustee receiving:
  - 3.3.1 a benefit from the Charity in the capacity of a beneficiary of the Charity; or
  - 3.3.2 reasonable and proper remuneration for any goods or services supplied to the Charity.

### ***Benefits and payments to Trustees and Connected persons***

- 3.4 No Trustee or Connected person may:
- 3.4.1 buy any goods or services from the Charity on terms preferential to those applicable to members of the public;
  - 3.4.2 sell goods, services, or any interest in land to the Charity;
  - 3.4.3 be employed by, or receive any remuneration from, the Charity;
  - 3.4.4 receive any other financial benefit from the Charity;
- unless the payment is permitted by Article 3.6 or authorised by the court or the prior written consent of the Charity Commission has been obtained.
- 3.5 In this Article 3 a 'financial benefit' means a benefit direct or indirect, which is either money or has a monetary value.

### **Scope and powers permitting Trustees' or Connected persons' benefit**

- 3.6 A Trustee or Connected person may:
- 3.6.1 receive a benefit from the Charity in the capacity of a beneficiary of the Charity provided that a majority of the Trustees do not benefit in this way at any one time;
  - 3.6.2 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, sections 185 and 186 of the Charities Act 2011;
  - 3.6.3 subject to Article 3.7, provide the Charity with goods that are not supplied in connection with services provided to the Charity by the Trustee or Connected person;
  - 3.6.4 receive interest on money lent to the Charity at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).
  - 3.6.5 receive rent for premises let by the Trustee or Connected person to the Charity. The amount of the rent and the other terms of the lease must be reasonable and proper. The Trustee concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
  - 3.6.6 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**

- 3.7 The Charity and its Trustees may only rely upon the authority provided by Article 3.6.3 if each of the following conditions is satisfied:
- 3.7.1 The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the Charity or its Trustees (as the case may be) and the Trustee 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.



- 3.7.2 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.
- 3.7.3 The other Trustees 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 Trustee or Connected person. In reaching that decision the Trustees must balance the advantage of contracting with a Trustee or Connected person against the disadvantages of doing so.
- 3.7.4 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 the Supplier with regard to the supply of goods to the Charity.
- 3.7.5 The Supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of Trustees is present at the meeting.
- 3.7.6 The reason for their decision is recorded by the Trustees in the relevant minutes.
- 3.7.7 A majority of the Trustees then in office are not in receipt of remuneration or payments authorised by Article 3.6.

***Application to subsidiary companies***

- 3.8 In Articles 3.6 and 3.7, a reference to the Charity should be interpreted as including any Subsidiary Company of the Charity (in which case, cross-references to particular Articles should instead be interpreted as referring to the equivalent articles (if any) in the governing document of that Subsidiary Company). (For the avoidance of doubt, the effect of this Article 3.8 is that only a minority of Trustees may receive (or may be Connected to a person who is receiving) remuneration from the Charity or any Subsidiary Company by virtue of Articles 3.6.2 and 3.6.3 at any time, meaning that any relevant remuneration paid by a Subsidiary Company to a Trustee (or Connected person) must be taken into account when determining how many Trustees fall within the scope of Article 3.6.2 and 3.6.3 at any time.)

***Authorised benefits: additional terms***

- 3.9 Where a benefit is to be received from the Charity (rather than a Subsidiary Company), Article 3.6.2 does not permit a Trustee to be paid for acting as a charity trustee.
- 3.10 Article 14 (Conflicts) applies where benefits are to be received under this Article.

**LIMITATION OF LIABILITY AND INDEMNITY**

**4. Liability of members**

The liability of members is limited. Each member agrees, if the Charity is wound up while they are a member (or within one year after they cease to be a member), to pay up to £1 towards:

- 4.1 payment of the Charity's debts and liabilities contracted before they ceased to be a member;
- 4.2 payment of the costs, charges and expenses of winding up; and
- 4.3 adjustment of the rights of the contributors among themselves.

- 5. Indemnity**
- Without prejudice to any indemnity to which a Trustee may otherwise be entitled:
- 5.1 every Trustee of the Charity shall be indemnified out of the assets of the Charity in relation to any liability incurred by them in that capacity but only to the extent permitted by the Companies Acts; and
- 5.2 every other officer of the Charity may be indemnified out of the assets of the Charity in relation to any liability incurred by them in that capacity, but only to the extent permitted by the Companies Acts.
- WINDING UP**
- 6. Winding up**
- 6.1 If upon the winding up or dissolution of the Charity there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Charity, but shall be given or transferred to some other charitable institution or institutions having objects similar to the objects of the Charity, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Charity under or by virtue of Article 3 hereof, such charitable institution or institutions to be determined by the members of the Charity at or before the time of dissolution, and if so far as effect cannot be given to such provision, then to some charitable purpose and in this Article "charitable" means charitable in accordance with the law of every party of the United Kingdom.

## **PART II – TRUSTEES**

### **THE ROLE OF THE TRUSTEES**

#### **7. Management of the Charity's business**

Unless the Articles provide otherwise, the Trustees are responsible for managing the Charity's business. When doing so, they may exercise all the powers of the Charity.

#### **8. Ability to delegate**

8.1 Unless the Articles provide otherwise, the Trustees may delegate:

8.1.1 any of their powers or functions to any committee; and

8.1.2 the implementation of their decisions, or the day-to-day management of the Charity's affairs, to any person or committee.

8.2 The Trustees may delegate by such means; to such an extent; in relation to such matters or territories; and on such terms and conditions as they think appropriate. They may allow those to whom a responsibility has been delegated to delegate further; and may change or terminate the delegation arrangements at any time.

##### ***Delegating to a committee***

8.3 When delegating to a committee, the Trustees must confirm:

8.3.1 the composition of that committee (although they may permit the committee to co-opt its own additional members, up to a specified number);

8.3.2 how the committee will report regularly to the Trustees; and

8.3.3 any other regulations relating to the functioning of the committee.

8.4 No committee shall knowingly incur expenditure or liability on behalf of the Charity except where authorised by the Trustees or in accordance with a budget which has been approved by the Trustees.

##### ***Delegating investment management***

8.5 The Trustees may delegate the management of investments to a Financial Expert or Financial Experts provided that:

8.5.1 the investment policy is set down in writing for the Financial Expert or Financial Experts by the Trustees;

8.5.2 timely reports of all transactions are provided to the Trustees;

8.5.3 the performance of the investments is reviewed regularly with the Trustees;

8.5.4 the Trustees are entitled to cancel the delegation arrangement at any time;

8.5.5 the investment policy and the delegation arrangements are reviewed regularly;

- 8.5.6 all payments due to the Financial Expert or Financial Experts are on a scale or at a level which is agreed in advance; and
- 8.5.7 the Financial Expert or Financial Experts must not do anything outside the powers of the Trustees.

#### ***Appointing agents***

- 8.6 The Trustees may (by power of attorney or otherwise) appoint any person to be the agent of the Charity for such purposes and on such conditions as they decide.

### **9. Officers**

- 9.1 The Trustees may appoint one of their number to the following officer roles;
  - 9.1.1 Chair of Trustees;
  - 9.1.2 Vice-Chair of Trustees;
  - 9.1.3 Treasurer; and
  - 9.1.4 such additional officer roles as the Trustees may determine from time to time.
- 9.2 Any appointment made pursuant to this Article 9 shall be for such term of office as the Trustees think appropriate and the Trustees may at any time remove the appointed person from that office.

## **HOW TRUSTEES MAKE DECISIONS**

### **10. The Trustees must take decisions collectively**

Any decision of the Trustees must be either:

- 10.1 a decision of a majority of the Trustees present and voting at a quorate Trustees' meeting (subject to the casting vote described in Article 12.5); or
- 10.2 a decision without a meeting taken in accordance with Article 13.

### **11. Calling a Trustees' meeting**

- 11.1 The Chair, Vice-Chair or any two Trustees may call a Trustees' meeting or instruct the Secretary (if any) to do so.
- 11.2 A Trustees' meeting must be called by at least four Clear Days' notice unless all the Trustees agree otherwise, or urgent circumstances require shorter notice. The person scheduling the meeting must try to ensure, subject to the urgency of any matter to be discussed at the meeting, that as many Trustees as practicable are likely to be available to participate.
- 11.3 Notice of Trustees' meetings must be given to each Trustee by such means as the Trustees decide. Such notice does not need to be in writing, but must specify:
  - 11.3.1 the day and time of the meeting;

- 11.3.2 the place where all the Trustees may physically attend the meeting (if there is to be such a place);
- 11.3.3 the general nature of the business to be considered at the meeting; and
- 11.3.4 if it is anticipated that Trustees participating in the meeting will not be in the same physical place, how it is proposed that they should communicate with each other during the meeting.

## **12. Procedure for Trustees' meetings**

### ***Quorum***

- 12.1 The Trustees cannot conduct any business at a Trustees' meeting unless a quorum is participating. However, if the total number of Trustees for the time being is less than the quorum required, the Trustees may still act to appoint further Trustees.
- 12.2 The Trustees may decide the quorum from time to time, but it must never be less than two. Unless they decide otherwise, it is two or one-third of the total number of Trustees, whichever is the greater.

### ***Virtual / hybrid meetings are acceptable***

- 12.3 Meetings do not need to take place in one physical place. Trustees participate in (and form part of the quorum in relation to) a Trustees' meeting, or part of a Trustees' meeting, when they can contemporaneously communicate with each other by any means. If all the Trustees participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

### ***Chair and casting vote***

- 12.4 The Chair, if any, or in their absence the Vice-Chair, if any, or in the absence of both the Chair and Vice-Chair another Trustee nominated by the Trustees present, shall preside as chair of each Trustees' meeting.
- 12.5 If the numbers of votes for and against a proposal at a Trustees' meeting are equal, and the chair of the meeting is eligible to vote at the meeting, they will have a casting vote in addition to any other vote they may have.

## **13. Decisions without a meeting**

- 13.1 A decision is taken in accordance with this Article 13 when the majority of the Trustees indicate by any means that they share a common view on a matter.
- 13.2 A decision which is made in accordance with this Article 13 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided:
  - 13.2.1 the Chair or Secretary (if any) or any other person authorised by the Trustees to put the proposed decision to the Trustees (the "Facilitator") has taken reasonable steps to notify all Trustees of the proposed decision; and
  - 13.2.2 a majority of the Trustees have indicated to the Facilitator that they approve the proposed decision.

- 13.3 Following receipt of responses from a majority of the Trustees, the Facilitator must communicate to all of the Trustees (by any means) whether the decision has been formally approved by the Trustees in accordance with Article 13.2.

14. **Conflicts**

***Declaration of interests***

- 14.1 A Trustee must declare the nature and extent of:
- 14.1.1 any direct or indirect interest which they have in a proposed transaction or arrangement with the Charity; and
- 14.1.2 any duty, or any direct or indirect interest, which they have which conflicts or may conflict with the interests of the Charity or their duties to the Charity.

***Involvement in decision-making***

- 14.2 A Trustee's entitlement to participate in decision-making in relation to a matter depends on whether:
- 14.2.1 their situation could reasonably be regarded as likely to give rise to a conflict of interest or duties in respect of the Charity (a "**Potential Conflict Situation**"); or
- 14.2.2 this is not the case (a "**No Conflict Situation**").

Any uncertainty about whether a situation is a Potential Conflict Situation or a No Conflict Situation in relation to a matter shall be decided by a majority decision of the other Trustees taking part in the relevant decision.

- 14.3 A Trustee in a No Conflict Situation can participate in the decision-making process, be counted in the quorum and vote in relation to the relevant matter.
- 14.4 A Trustee in a Potential Conflict Situation can participate in the decision-making process, be counted in the quorum and vote in relation to the relevant matter, unless:
- 14.4.1 a Trustee appointed by a third party has a conflict of interest between their duty to act in the best interests of the Charity and any duties to the party that appointed them;
- 14.4.2 a majority of the other Trustees taking part in the relevant decision decide otherwise; or
- 14.4.3 the decision could result in the Trustee or any person who is Connected with them receiving a benefit. The following benefits are not counted for the purposes of this Article:
- (a) any benefit received by any person in their capacity as a beneficiary of the Charity (see Article 3.6.1) which is available generally to the beneficiaries of the Charity;
  - (b) the payment of premiums in respect of indemnity insurance (see Article 3.2.2);
  - (c) payment under the indemnity in Article 5; or
  - (d) reimbursement of expenses (see Article 3.2.1)

in which case Article 14.5 applies to the decision.

- 14.5 If this Article 14.5 applies, the relevant Trustee must:
- 14.5.1 take part in the relevant decision-making process only to such extent as in the view of the other Trustees is necessary to inform the debate;
  - 14.5.2 not be counted in the quorum for that part of the process; and
  - 14.5.3 withdraw during the vote (if applicable) and have no vote on the matter.

***Continuing duties to the Charity***

- 14.6 Where a Trustee or person Connected with them has a conflict of interest or conflict of duties and the Trustee has complied with their obligations under these Articles in respect of that conflict:
- 14.6.1 the Trustee shall not be in breach of their duties to the Charity by withholding confidential information from the Charity if to disclose it would result in a breach of any other duty or obligation of confidence owed by them; and
  - 14.6.2 the Trustee shall not be accountable to the Charity for any benefit expressly permitted under these Articles which they or any person Connected with them derives from any matter or from any office, employment or position.

**15. Validity of Trustee actions**

All acts done by a person acting as a Trustee shall be valid, notwithstanding that it is afterwards discovered that there was a defect in their appointment, or that they were disqualified from holding office or had vacated office, or that they were not entitled to vote on the matter in question.

**APPOINTMENT AND RETIREMENT ETC. OF TRUSTEES**

**16. Number of Trustees and Board Composition**

- 16.1 The Charity shall seek to ensure that there are always at least six Trustees in post.
- 16.2 In considering the composition of the board of Trustees, the Trustees shall take account of the desirability of having representation from the water sector.

**17. Appointment and retirement of Trustees**

- 17.1 Any person who is willing to act as a Trustee, and who would not be disqualified from acting under the provisions of Article 18, may be appointed as a Trustee by a decision of the Trustees.
- 17.2 Once appointed, subject to Article 18:
  - 17.2.1 Trustees will serve until the end of the board meeting following the fourth anniversary of their appointment; and
  - 17.2.2 at that meeting they will be eligible for re-appointment by the Trustees for a second consecutive term of office. Exceptionally, the Trustees may appoint a Trustee for a third term expiring at the end of the first board meeting to be held following the first anniversary of such re-appointment.

17.3 A Trustee who has ceased to hold office may not be re-appointed until at least twelve months have elapsed since they last held office.

17.4 If the retirement of a Trustee under Article 17.2 causes the number of Trustees to fall below the number of Trustees specified in Article 16 then the retiring Trustee shall remain in office until a new appointment is made.

***Minimum age***

17.5 No one may be appointed as a Trustee unless they have reached the age of 18 years.

**18. Disqualification and removal of Trustees**

A Trustee ceases to hold office if:

18.1 they cease to be a director, or become prohibited from being a director or charity trustee, by law;

18.2 the Trustees reasonably believe that the Trustee has become physically or mentally incapable of managing their own affairs and they resolve to remove the Trustee office;

18.3 they notify the Charity in writing that they are resigning from office, and any period of time specified in such notice has passed (but only if at least a quorum of Trustees will remain in office when such resignation has taken effect);

18.4 they fail to attend three consecutive meetings of the Trustees and the Trustees resolve that they be removed for this reason;

18.5 the Trustee ceases to be a member of the Charity; or

18.6 at a meeting of the Trustees at which at least half of the Trustees are present, a resolution is passed that the Trustee is removed from office. Such a resolution shall not be passed unless the Trustee has been given at least 14 Clear Days' notice that the resolution is to be proposed, specifying the circumstances underlying the proposal, and has been afforded a reasonable opportunity of either (at their option) being heard by or making written representations to the Trustees.



## **PART III - MEMBERS**

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

#### **19. Becoming and ceasing to be a member**

19.1 The Trustees from time to time shall be the only members of the Charity. A Trustee shall become a member automatically when they are appointed as a Trustee. All new Trustees are treated as having agreed to become members of the Charity and their name must be entered into the Charity's register of members.

19.2 A person shall cease to be a member if they cease to be a Trustee. Membership is not transferable and shall cease on death.

#### **20. Associate members**

The Trustees may establish one or more categories of associate membership. Associate members are not members of the Charity for the purposes of the Articles or the Companies Acts but may have such rights and obligations (and may be liable for any such subscriptions) as the Trustees decide from time to time. The Trustees may admit and remove any associate members in accordance with any regulations that they make.

### **ORGANISATION OF GENERAL MEETINGS**

#### **21. General meetings**

21.1 The Trustees may call a general meeting at any time.

21.2 The quorum for general meetings is two or one-third of the total number of members, whichever is the greater, provided that if the quorum for Trustee's meetings is fixed at a different level by a decision of the Trustees, in accordance with Article 12.2, the quorum for general meetings shall change accordingly.

21.3 The Trustees may make such lawful arrangements as they see fit in respect of physical attendance and/or Remote Attendance at a general meeting. The entitlement of any person to attend and participate in a general meeting shall be subject to such arrangements.

21.4 When the Trustees have made arrangements to facilitate Remote Attendance, the provisions of the Articles shall be treated as modified to permit such arrangements and in particular a person attending a general meeting by Remote Attendance shall be treated as being present and/or present in person at the meeting for the purposes of the Articles, including without limitation the provisions of the Articles relating to the quorum for the meeting.

21.5 Subject to the Articles, general meetings must be called and held in accordance with the provisions regarding such meetings in the Companies Acts.

#### **22. Written resolutions**

##### ***General***

22.1 Subject to this Article 22 a written resolution agreed by:

22.1.1 members representing a simple majority; or

- 22.1.2 (in the case of a special resolution) members representing not less than 75%;  
of the total voting rights of eligible members shall be effective.
- 22.2 On a written resolution each member shall have one vote.
- 22.3 A written resolution must state that it was proposed as a special resolution in order to be a special resolution under the Companies Acts.
- 22.4 A members' resolution under the Companies Acts removing a Trustee or auditor before the expiry of their term of office may not be passed as a written resolution.

***Circulation***

- 22.5 A copy of the proposed written resolution must be sent to every eligible member together with a statement informing the member how to signify their agreement and the date by which the resolution must be passed if it is not to lapse.
- 22.6 In relation to a resolution proposed as a written resolution of the Charity the eligible members are the members who would have been entitled to vote on the resolution on the Circulation Date of the resolution.
- 22.7 The required majority of eligible members must signify their agreement to the written resolution within the period of 28 days beginning with the Circulation Date.
- 22.8 Communications in relation to written resolutions must be sent to the Charity's auditors in accordance with the Companies Acts.

***Signifying agreement***

- 22.9 A member signifies their agreement to a proposed written resolution when the Charity receives from them (or from someone acting on their behalf) an authenticated document:
- 22.9.1 identifying the resolution to which it relates; and
- 22.9.2 indicating the member's agreement to the resolution.
- 22.10 For the purposes of Article 22.9:
- 22.10.1 a document sent or supplied in hard copy form is sufficiently authenticated if it is signed by the person sending or supplying it; and
- 22.10.2 a document sent or supplied in electronic form is sufficiently authenticated if:
- (a) the identity of the sender is confirmed in a manner specified by the Charity; or
  - (b) where no such manner has been specified by the Charity, if the communication contains or is accompanied by a statement of the identity of the sender and the Charity has no reason to doubt the truth of that statement.
- 22.11 If the Charity gives an electronic address in any document containing or accompanying a written resolution, it will be deemed to have agreed that any document or information relating to that resolution may be sent by electronic means to that address (subject to any conditions or limitations specified in the document).

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## PART IV - ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS

### 23. Communications by the Charity

#### **General rule**

- 23.1 The Charity may send or supply any documents, notices, information or other material to members or Trustees in the manner indicated in the first column below. They will be deemed received at the time specified in the second column below. This Article is subject to Article 23.2.

Method	Deemed delivery
(a) By hand	The day it was delivered.
(b) By post, in a prepaid envelope addressed to the recipient;	48 hours after posting, excluding any part of a day that is a Saturday, Sunday or Public Holiday.
(c) Sent by electronic means;	The day it was sent.
(d) Sent by making it available on a website; or	The day it was made available or (if later) the day the recipient was notified (or is deemed notified) that it was so available.
(e) Sent by other means authorised by the Articles and the Companies Acts.	In accordance with any provisions in the relevant article or the Companies Acts.

#### **Exceptions**

- 23.2 The following exceptions apply:
- 23.2.1 where the Companies Act 2006 requires it, the requirements in that Act for the Charity to gain a person's consent (or deemed consent) must be complied with before method (c), (d) or (as applicable) (e) is used (or before relevant material is sent in electronic form by other means);
- 23.2.2 a Trustee may agree with the Charity that notices or documents concerning Trustee decision-making can be sent to them in a particular way (whether or not listed above); and that they may be deemed delivered sooner than would otherwise be the case under this Article;
- 23.2.3 a member present in person or by proxy at a meeting of the Charity shall be deemed to have received notice of the meeting and the purposes for which it was called;
- 23.2.4 a member who does not register a postal address within the United Kingdom with the Charity shall not be entitled to receive any notice from the Charity (while it may provide them, in its discretion and subject to these Articles and the Companies Acts); and
- 23.2.5 where any document or material has been sent or supplied by the Charity by electronic means and the Charity receives notice that the message is undeliverable:

- (a) if the material has been sent to a member or Trustee and is notice of a general meeting of the Charity, the Charity is under no obligation to send a hard copy of the material to their postal address as shown in the Charity's register of members or Trustees, but may in its discretion choose to do so;
- (b) in all other cases, the Charity shall send a hard copy of the material to the member's postal address (within the United Kingdom) as shown in the Charity's register of members (if any), or in the case of a recipient who is not a member, to the last known postal address for that person within the United Kingdom (if any); and
- (c) the date of service or delivery of the material shall be the date on which the original electronic communication was sent, notwithstanding the subsequent sending of hard copies.

#### **24. Secretary**

A Secretary may be appointed by the Trustees on such terms as they see fit and may be removed by them. If there is no Secretary, the Trustees may make appropriate alternative arrangements.

#### **25. Irregularities**

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

#### **26. Minutes**

26.1 The Trustees must ensure minutes are made:

26.1.1 of all appointments of officers made by the Trustees;

26.1.2 of all resolutions of the Charity and of the Trustees (including, without limitation, decisions of the Trustees made without a meeting); and

26.1.3 of all proceedings at meetings of the Charity and of the Trustees, and of committees of Trustees, including the names of the Trustees present at each such meeting;

and any such minute, if purported to be signed (or in the case of minutes of Trustees' meetings signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any member or Trustee of the Charity, be sufficient evidence of the proceedings.

#### **27. Records and accounts**

27.1 The Trustees shall comply with the requirements of the Companies Acts and of the Charities Act 2011 as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Charity Commission of:

27.1.1 annual reports;

27.1.2 annual statements of account; and

27.1.3 annual returns or confirmation statements.

28. **Interpretation**

These Articles should be read and interpreted in accordance with Schedule 1.

29. **Exclusion of model articles**

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

## Schedule 1 - Interpretation – Defined Terms

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

	Term	Meaning
1.1	<b>“address”</b>	includes a postal or physical address and a number or address used for the purposes of sending or receiving documents or information by electronic means;
1.2	<b>“Articles”</b>	the Charity’s articles of association;
1.3	<b>“Chair”</b>	has the meaning given in Article 9;
1.4	<b>“Charity”</b>	WaterAid;
1.5	<b>“Circulation Date”</b>	in relation to a written resolution, has the meaning given to it in the Companies Acts;
1.6	<b>“Clear Days”</b>	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
1.7	<b>“Companies Acts”</b>	the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Charity;
1.8	<b>“Connected”</b>	<p>means in respect of a Trustee:</p> <ul style="list-style-type: none"> <li>(a) the Trustee’s parent, child, sibling, grandparent or grandchild;</li> <li>(b) the spouse or civil partner of the Trustee or another person described in paragraph (a);</li> <li>(c) a person carrying on business in partnership with the Trustee, or a person described in paragraph (a) or (b);</li> <li>(d) an institution controlled by the Trustee and/or one or more person(s) described in paragraph (a), (b) or (c); or</li> <li>(e) a body corporate in which the Trustee and/or one or more person(s) described in paragraph (a), (b) or (c) have a substantial interest.</li> </ul> <p>Sections 350 – 352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this definition.</p>
1.9	<b>“electronic form” “electronic means”</b>	<b>and</b> have the meanings respectively given to them in Section 1168 of the Companies Act 2006;

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| 1.10 | <b>“Financial Expert”</b>               | an individual, company or firm who, or which, is authorised to give investment advice under the Financial Services and Markets Act 2000;   |
| 1.11 | <b>“hard copy” and “hard copy form”</b> | have the meanings respectively given to them in the Companies Act 2006;  |
| 1.12 | <b>“Public Holiday”</b>                 | means Christmas Day, Good Friday and any day that is a bank holiday under the Banking and Financial Dealings Act 1971 in the part of the United Kingdom where the company is registered;                       |
| 1.13 | <b>“purposes”</b>                       | mean the charitable objects (or purposes) of the Charity;  |
| 1.14 | <b>“Remote Attendance”</b>              | means remote attendance at a general meeting by such means as are approved by the Trustees in accordance with Article 21.3;  |
| 1.15 | <b>“Secretary”</b>                      | the secretary of the Charity (if any);   |
| 1.16 | <b>“Subsidiary Company”</b>             | any company in which the Charity holds more than 50% of the shares, controls more than 50% of the voting rights attached to the shares or has the right to appoint a majority of the board of the company; and |
| 1.17 | <b>“Treasurer”</b>                      | has the meaning given in Article 9;  |
| 1.18 | <b>“Trustee”</b>                        | a director of the Charity, and includes any person occupying the position of director, by whatever name called; and  |
| 1.19 | <b>“Vice-Chair”</b>                     | has the meaning given in Article 9.  |
2. Unless the context requires, references to “writing” and “document” should be interpreted (without limitation) as allowing for the transmission of information in electronic form. A reference to a “document” includes summons, notice, order or other legal process.
  3. Subject to paragraph 4 of this Schedule, any reference in the Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.
  4. Unless the context otherwise requires, words or expressions contained in the Articles which are not defined in paragraph 1 above bear the same meaning as in the Companies Act 2006 as in force on the date when the Articles became binding on the Charity.