

**THE COMPANIES ACT 2006**  
**COMMUNITY INTEREST COMPANY LIMITED BY GUARANTEE**  
**ARTICLES of ASSOCIATION**  
**of**  
**UPPERTUNITY CIC**

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**ARTICLES OF ASSOCIATION**

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**UPPERTUNITY CIC**

**INTERPRETATION**

**1. Defined Terms**

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

**COMMUNITY INTEREST COMPANY AND ASSET LOCK**

**2. Community Interest Company**

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

**3. Asset Lock**

- 3.1 The Company shall not transfer any of its assets other than for full consideration.

- 3.2 Provided the conditions in Article 3.3 are satisfied, Article 3.1 shall not apply to:

3.2.1 the transfer of assets to any specified asset-locked body, or (with the consent of the Regulator) to any other asset-locked body; and

3.2.2 the transfer of assets made for the benefit of the community other than by way of a transfer of assets into an asset-locked body.

- 3.3 The conditions are that the transfer of assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles of the Company.

- 3.4 If:

3.4.1 the Company is wound up under the Insolvency Act 1986; and

3.4.2 all its liabilities have been satisfied

any residual assets shall be given or transferred to any asset-locked body which has similar objects to that of the Company as the Directors shall determine with the consent of the Regulator.

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

- 4.1 The Company is not established or conducted for private gain. Any surplus or assets are used principally for the benefit of the community.

### **OBJECTS AND POWERS**

#### **5. Objects**

- 5.1 The objects of the Company are to carry on activities which benefit the community and in particular (without limitation) to:

5.1.1 provide a holistic, tailor-made counselling, support and training service to assist individuals from vulnerable and isolated groups in realising their potential whilst developing skills and employability;

5.1.2 set up and run other community-based enterprises including a café to improve amenities for the community whilst providing opportunities for skills development for individuals from vulnerable and isolated groups; and

5.1.3 advance such similar purposes, develop any other projects, initiatives or activities for the benefit of the community as the Directors may consider appropriate.

#### **6. Powers**

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

### **LIMITATION OF LIABILITY AND STRUCTURE**

#### **7. Liability of members**

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

7.1.1 payment of the Company's debts and liabilities contracted before he or she ceases to be a member;

7.1.2 payment of the costs, charges and expenses of winding up; and

7.1.3 adjustment of the rights of the contributories among themselves.

## **8. General Structure**

8.1 The structure of the Company consists of the Directors who are also the Company's only members and comprise the Board. The Board have important powers under the constitution, take decisions on changes to the constitution itself, hold regular meetings, and generally control the activities of the Company. Without prejudice to the generality of the foregoing, the Board is responsible for monitoring and controlling the financial position of the Company.

## **MEMBERS**

### **9. Becoming a member**

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

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

9.3 Each member of the Company shall be a Director.

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

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

### **10. Termination of membership**

10.1 Membership is not transferable to anyone else.

10.2 Membership is terminated if:

10.2.1 the member dies or ceases to exist;

10.2.2 otherwise in accordance with these Articles; or

10.2.3 a member ceases to be a Director.

### **11. General meetings (members' meetings)**

11.1 The Directors may call a general meeting at any time.

11.2 The business of an annual general meeting shall include:

- 11.2.1 a report by the chair (see Article 19) on the activities of the Company;
  - 11.2.2 invitation of Directors;
  - 11.2.3 financial position of the organisation.
- 11.3 The Directors may convene an extraordinary meeting at any time.
- 11.4 The Directors must convene an extraordinary general meeting if there is a valid requisition by members (under section 303 of the Act) or a requisition by a resigning auditor (under section 518 of the Act).

**12. Notice of general meetings**

- 12.1 At least 14 Clear Days' notice must be given of general meetings.
- 12.2 A notice calling a meeting shall specify the date, time and place of the meeting. It shall:
- 12.2.1 indicate the general nature of the business to be dealt with at the meeting and
  - 12.2.2 if a special resolution (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution.
- 12.3 A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting. Any other general meeting shall be called an extraordinary general meeting.
- 12.4 Notice of every general meeting shall be given
- 12.4.1 in writing (where the individual to whom notice is given has notified the Company of an address to be used for the purpose of electronic communication) in electronic form; or
  - 12.4.2 (subject to the Company notifying members of the presence of the notice on the website, and complying with the other requirements of section 309 of the Act) by means of a website.

**13. Special resolutions and ordinary resolutions**

13.1 For the purposes of these Articles, a “special resolution” means a resolution passed by 75% or more of the votes cast on the resolution at a general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with Article 12. For the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution as compared with the number of votes cast against the resolution. No account shall be taken of abstentions or members absent from the meeting.

13.2 In addition to the matters expressly referred to elsewhere in these Articles, the provisions of the Act allow the Company, by special resolution,

13.2.1 to alter its name

13.2.2 to alter any provision of these Articles or adopt new Articles of association.

13.3 For the purposes of these Articles, an “ordinary resolution” means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes against), at a general meeting, providing proper notice of the meeting has been given in accordance with Article 12.

#### **14. Procedure at general meetings**

14.1 No business shall be dealt with at any general meeting unless a quorum is present; the quorum for a general meeting shall be fixed from time to time by the Directors.

14.2 If a quorum is not present within 15 minutes after the time at which a general meeting was due to commence - or if, during a meeting, a quorum ceases to be present - the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.

14.3 The chair of the Company shall (if present and willing to act as chairperson) preside as chairperson of each general meeting. If the chair is not present and willing to act as chairperson within 15 minutes after the time at which the meeting was due to commence, the Directors present at the meeting shall elect from among themselves the person who will act as chairperson of that meeting.

14.4 The chairperson of a general meeting may, with the consent of the meeting, adjourn the meeting to such time and place as the chairperson may determine.

14.5 Every member shall have one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy.

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

- 14.7 Any member who wishes to appoint a proxy to vote on his or her behalf at any meeting (or adjourned meeting):
- 14.7.1 shall lodge with the Company, at the Company's registered office, a written instrument of proxy (in such form as the Directors require), signed by him or her; or
- 14.7.2 shall send by electronic means to the Company, at such electronic address as may have been notified to the members by the Company for that purpose, an instrument of proxy (in such form as the Directors require);
- providing (in either case) the instrument of proxy is received by the Company at the relevant address not less than 48 hours before the time for holding the meeting (or, as the case may be, adjourned meeting).
- 14.8 An instrument of proxy which does not conform to the provisions of Article 14.7, or which is not lodged or sent in accordance with such provisions, shall be invalid.
- 14.9 A member shall not be entitled to appoint more than one proxy to attend on the same occasion.
- 14.10 A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed him or her to speak at the meeting and need not be a member of the Company.
- 14.11 The termination of a proxy's authority by the member appointing him or her does not invalidate the vote given or ballot demanded, unless the Company receives notice of the termination before the commencement of the meeting or adjourned meeting. Such notice should be received by the Company at the Company's registered office (or, where sent by electronic means, was received by the Company at the address notified by the Company to the members for the purpose of electronic communications).
- 14.12 If there are an equal number of votes for and against any resolution, the chairperson of the meeting shall not be entitled to a casting vote. The subject will be brought back for discussion.
- 14.13 A resolution put to the vote at a general meeting shall be decided on a show of hands unless a secret ballot is demanded by the chairperson (or by at least two persons present in person at the meeting and entitled to vote (whether as members or proxies for members)). A secret ballot may be demanded either before the show of hands takes place, or immediately after the result of the show of hands is declared.
- 14.14 If a secret ballot is demanded, it shall be taken at the meeting and shall be conducted in such a manner as the chairperson may direct. The result of the ballot shall be declared at the meeting at which the ballot was demanded.

## **15. Written resolutions**

- 15.1 A resolution agreed to in writing (including by e-mail) by all the Directors will be as valid as if it had been passed at an annual general meeting or Board meeting; the date of the resolution will be taken to be the date on which the last member agreed to it and it must be unanimous.

## **DIRECTORS**

### **16. Appointment and Eligibility**

- 16.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director by ordinary resolution on the basis he or she has experience or skills which could be of assistance to the Board.
- 16.2 The Directors shall appoint as many directors as required to carry out its purposes. The minimum number shall be one.

### **17. Directors' remuneration**

- 17.1 Directors may undertake any services for the Company that the Directors decide. Directors will not be paid or remunerated for their services as Directors.
- 17.2 Directors are entitled to such remuneration as the Directors determine:
- 17.2.1 for reimbursement of expenses, i.e. travel expenses.
  - 17.2.2 for any other service which they undertake for the Company.
- 17.3 Subject to the Articles, a Director's remuneration may:
- 17.3.1 be paid in cash; and
  - 17.3.2 include any other arrangements agreed by the board.
- 17.4 For the avoidance of doubt, executive Directors may also be employees of the Company, and will be entitled to retain all remuneration, and pension and/or other benefits, paid or provided to them in their capacity as employees of the Company.
- 17.5 At the Directors discretion, the Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at Board of general meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.



## **18. Termination of appointment**

18.1 A person ceases to be a Director as soon as:

18.1.1 that person ceases to be a Director by virtue of any provision of the Companies Act 2006, or is prohibited from being a Director by law;

18.1.2 the Director resigns by giving notice to the Company;

18.1.3 the Director fails to attend three consecutive meetings of the Directors and the Directors resolve that the Director be removed for this reason.

18.1.4 the Director becomes incapable for medical reasons of fulfilling the duties of his or her office and such incapacity is expected to continue for a period of more than six months; or

18.1.5 the Director ceases to be a member.

## **19. Office bearers**

19.1 The Directors may elect from among themselves a chair, secretary and a treasurer, and such other office bearers (if any) as they consider appropriate.

19.2 All of the office bearers shall cease to hold office at the conclusion of an annual general meeting, but shall then be eligible for re-election.

19.3 A Director elected to any office shall cease to hold that office if he or she ceases to be a Director, or if he or she resigns from that office by written notice to that effect.

## **20. Powers of Directors**

20.1 Subject to the Act and the Articles, the Directors are responsible for the management of the Company and its assets and undertaking, for which purpose they may exercise all the powers of the Company.

20.2 A meeting of the Directors at which a quorum is present may exercise all powers exercisable by the Directors.

## **21. Directors may delegate**

21.1 The Directors may delegate any of their powers for the implementation of their decisions or day to day management of the affairs of the Company to such person or sub-committee as they see fit. Such powers may be made subject to such terms and conditions as the Directors may impose.

21.2 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **22. Conflicts of interest**

- 22.1 Whenever a Director finds himself or herself in a situation where a personal interest is reasonably likely to give rise to a Conflict of Interest, he or she must declare his or her interest to the Directors.
- 22.2 For the purposes of the preceding Article, a Director shall be deemed to have a personal interest in a Company matter if any partner or close relative of his or hers or any firm of which he or she is a partner or any limited company of which he or she is a substantial shareholder or director (or any other party who/which is deemed to be connected with him or her for the purposes of the Act), has an interest in that matter.
- 22.3 If any question arises as to whether a Director has a Conflict of Interest, the question shall be decided by a majority decision of the other Directors.
- 22.4 Whenever a matter is to be discussed at a meeting or decided and a Director has a Conflict of Interest in respect of that matter then, unless the Directors decide otherwise, he or she must:
- 22.4.1 remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;
  - 22.4.2 not be counted in the quorum for that part of the meeting; and
  - 22.4.3 withdraw during the vote and have no vote on the matter.

## **23. Register of Directors' interests**

- 23.1 The Directors shall, if they deem appropriate, keep a register of Directors' interests.

## **24. Procedure at Directors' meetings**

- 24.1 Any Director may call a meeting or request the Secretary to call a Directors' meeting. Notice of the meeting shall be given to all Directors with reasonable notice, normally a minimum of seven days.
- 24.2 Questions arising at a Directors' meeting shall be decided by a majority of votes. In the event of the Company being a single director company, a majority decision is made when that single Director makes a decision.
- 24.3 In all proceedings of Directors each Director must not have more than one vote and in case of an equality of votes, the chair shall not have a casting vote.
- 24.4 The minimum number required for a quorum for Directors' meetings is five. This number may be changed from time to time by a decision of the Directors.
- 24.5 If at any time the number of Directors falls below the number fixed as the quorum, the remaining Director(s) may act only for the purpose of filling vacancies or of calling a general meeting.

- 24.6 Unless he or she is unwilling to do so, the chair of the Company shall preside as chairperson at every Directors' meeting at which he or she is present. If the chair is unwilling to act as chairperson or is not present within 15 minutes after the time when the meeting was due to commence, the Directors present shall elect from among themselves the person who will act as chairperson of the meeting.
- 24.7 The Directors may, at their discretion, allow any person who they reasonably consider appropriate to attend and speak at any meeting of the Directors. For the avoidance of doubt, any such person who is invited to attend a Directors' meeting shall not be entitled to vote.

## **ADMINISTRATIVE, ACCOUNTING AND INDEMNITY**

### **25. Minutes**

- 25.1 The Directors shall ensure that minutes are made of all proceedings at general meetings, Directors' meetings and any meetings of committees. A minute of any meeting shall include the names of those present, and (as far as possible) shall be signed by the chairperson of the meeting.

### **26. Irregularities**

- 26.1. The proceedings at any meeting or on the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not referred to in the notice unless a provision of the Companies Acts specifies that such informality, irregularity or want of qualification shall invalidate it.

### **27. Register of members & Directors**

- 27.1 The Directors shall maintain a register of the member/Directors, setting out the full name and address of each member, the date on which he or she was admitted to membership, and the date on which any person ceased to be a member/Director.

### **28. Accounting and annual reports**

- 28.1 The Directors shall comply with the requirements of the Companies Acts as to keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Regulator of:

28.1.1 annual reports;

28.1.2 annual returns; and

28.1.3 annual statements of account.

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

**29. Indemnity**

29.1 Every Director or other officer or auditor of the Company shall be indemnified (to the extent permitted by sections 232, 234, 235, 532 and 533 of the Act) out of the assets of the Company against any loss or liability which he or she may sustain or incur in connection with the execution of the duties of his or her office; that may include, without prejudice to that generality, (but only to the extent permitted by those sections of the Act), any liability incurred by him or her in defending any proceedings (whether civil or criminal) in which judgement is given in his or her favour or in which he or she is acquitted or any liability in connection with an application in which relief is granted to him or her by the court from liability for negligence, default or breach of trust in relation to the affairs of the Company.

29.2 The Company shall be entitled to purchase and maintain for any Director insurance against any loss or liability which any Director or other officer of the Company may sustain or incur in connection with the execution of the duties of his or her office, and such insurance may extend to liabilities of the nature referred to in section 232(2) of the Act (negligence etc. of a director).

**SCHEDULE**  
**INTERPRETATION**

**Defined terms**

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

<b>Term</b>	<b>Meaning</b>
1.1 <b>“Address”</b>	includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;
1.2 <b>“Articles”</b>	the Company’s articles of association;
1.3 <b>“asset-locked body”</b>	means (i) a community interest company, a charity or a Permitted Industrial and Provident Society; or (ii) a body established outside the United Kingdom that is equivalent to any of those;
1.4 <b>“bankruptcy”</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
1.5 <b>“Board”</b>	The Directors of the Company
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>“community”</b>	is to be construed in accordance with accordance with Section 35(5) of the Company’s (Audit) Investigations and Community Enterprise) Act 2004;
1.8 <b>“Companies Acts”</b>	means the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company;
1.9 <b>“Company”</b>	Uppertunity CIC;
1.10 <b>“Conflict of Interest”</b>	any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or might conflict with the interests of the Company;

1.11	<b>“Director”</b>	a director of the Company, and includes any person occupying the position of director, by whatever name called;
1.12	<b>“Document”</b>	includes, unless otherwise indicated, any document sent or supplied in Electronic Form;
1.13	<b>“Electronic Form” and “Electronic Means”</b>	have the meanings respectively given to them in Section 1168 of the Companies Act 2006;
1.14	<b>“Hard Copy Form”</b>	has the meaning given to it in the Companies Act 2006;
1.15	<b>“Memorandum”</b>	the Company’s memorandum of association;
1.16	<b>“Permitted Industrial and Provident Society”</b>	an industrial and provident society which has a restriction on the use of its assets in accordance with Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006;
1.17	<b>“the Regulator”</b>	means the Regulator of Community Interest Companies;
1.18	<b>“Secretary”</b>	the secretary of the Company (if any);
1.19	<b>“specified”</b>	means specified in the memorandum or articles of association of the Company for the purposes of this paragraph;
1.20	<b>“transfer”</b>	includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property; and
1.21	<b>“Writing”</b>	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.

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