

The Companies Act 2006

Community Interest Company Limited by Guarantee

Articles of Association
of
East Brighton Trust C.I.C.

The Companies Act 2006

Community Interest Company Limited by Guarantee

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The Companies Act 2006
Articles of Association
of
EAST BRIGHTON TRUST C.I.C.

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:

- (a) the transfer of assets to any specified asset-locked body, or (with the consent of the Regulator) to any other asset-locked body; and
- (b) 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 an asset-locked body or asset-locked bodies as decided by the members of the Company.

4. Not for profit

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

OBJECTS, POWERS AND LIMITATION OF LIABILITY

5. Objects

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

Regeneration

- 5.1.1 to promote regeneration generally;
- 5.1.2 to develop and encourage, foster and promote the physical, economic and social development and regeneration of the locality;

Education and Training

- 5.1.3 to advance education;
- 5.1.4 to provide or assist in providing and improving training and associated services and facilities;

Employment

- 5.1.5 to relieve unemployment in any ways as may be thought fit, including assisting people to find employment, providing employment opportunities, or providing work experience;
- 5.1.6 to promote industry and commerce and to provide or assist in providing assistance to new and existing businesses;

Health

- 5.1.7 to provide or assist in providing facilities, services or assistance to people in the community who are aged, who have mental or physical disabilities or who are sick or who are otherwise in need;
- 5.1.8 to promote good health and the relief of sickness;

Housing

- 5.1.9 to provide, construct, improve or manage or to assist in the provision, constitution, improvement or management of housing accommodation and any associated amenities; and
- 5.1.10 to provide appropriate housing, associated amenities, services and assistance to those who need them because of chronic sickness, age, mental or physical disability;

Community Facilities

- 5.1.11 to provide or improve or to assist in providing or improving community, social, recreational and leisure time facilities;
- 5.1.12 to improve or assist in improving the physical and natural environment, access to open space, infrastructure and transportation facilities;

Community Relations

- 5.1.13 to promote social inclusion, good community relations and the celebration of diversity and to actively engage the community;
- 5.1.14 to support and assist children and young people in any ways which are thought fit;

5.1.15 to support and assist the elderly and other vulnerable groups in any ways which are thought fit;

Community Safety

5.1.16 to provide or assist in providing Residents with a safe and good quality environment in the community including through:

1. the promotion of the prevention and/or reduction of crime, anti-social behaviour and nuisance;
2. the protection of people and property; and
3. the support of victims and witnesses of crime and their families;

Capacity Building

5.1.17 to develop the capacity and skills of members of the community and promote the capacity building of Residents;

Neighbourhood Management

5.1.18 to promote principles of neighbourhood management; and

Other

5.1.19 to carry on any other activity which the Board considers is for the benefit of the community in East Brighton.

5.2 Equal Opportunities

In the furtherance of the Objects the Company shall at all times take into consideration and actively promote the principles of equality of opportunity irrespective of age, gender, marital or single status, family make-up, class, homelessness, illness, HIV status, employment or volunteer status, income, status as a carer, race, colour, nationality, ethnic origin, religion, sexual orientation or disability whether physical, mental or sensory.

6. Powers

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

7. Liability of members

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

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

- 7.3 adjustment of the rights of the contributories among themselves.

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

8. Directors' general authority

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

9. Members' reserve power

- 9.1 The members may, by special resolution, direct the Directors to take, or refrain from taking, specific action.

- 9.2 No such special resolution shall invalidate anything which the Directors have done before the passing of the resolution.

10. Chair

The Directors may appoint one of their number to be the chair of the Directors for such term of office as they determine and may at any time remove him or her from office.

11. Directors may delegate

- 11.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles or the implementation of their decisions or day to day management of the affairs of the Company:

11.1.1 to such person or committee;

11.1.2 by such means (including by power of attorney);

11.1.3 to such an extent;

11.1.4 in relation to such matters or territories; and

11.1.5 on such terms and conditions;

as they think fit.

- 11.2 If the Directors so specify, any such delegation of this power may authorise further delegation of the Directors' powers by any person to whom they are delegated.

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

DECISION-MAKING BY DIRECTORS

12. Directors to take decisions collectively

Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 18.

13. Calling a Directors' meeting

- 13.1 Two Directors may (and the Secretary, if any, must at the request of two Directors) call a Directors' meeting.
- 13.2 A Directors' meeting must be called by at least seven Clear Days' notice unless either:
 - 13.2.1 all the Directors agree; or
 - 13.2.2 urgent circumstances require shorter notice.
- 13.3 Notice of Directors' meetings must be given to each Director.
- 13.4 Every notice calling a Directors' meeting must specify:
 - 13.4.1 the place, day and time of the meeting; and
 - 13.4.2 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 13.5 Notice of Directors' meetings need not be in Writing.
- 13.6 Notice of Directors' meetings may be sent by Electronic Means to an Address provided by the Director for the purpose.

14. Participation in Directors' meetings

- 14.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
 - 14.1.1 the meeting has been called and takes place in accordance with the Articles; and
 - 14.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 14.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 14.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

15. Quorum for Directors' meetings

- 15.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 15.2 The quorum for Directors' meetings is three.
- 15.3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
 - 15.3.1 to appoint further Directors; or

15.3.2 to call a general meeting so as to enable the members to appoint further Directors.

16. Chairing of Directors' meetings

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

17. Decision-making at meetings

17.1 Questions arising at a Directors' meeting shall be decided by a majority of votes.

17.2 In all proceedings of Directors each Director must not have more than one vote.

18. Decisions without a meeting

18.1 The Directors may take a unanimous decision without a Directors' meeting in accordance with this Article by indicating to each other by any means, including without limitation by Electronic Means, that they share a common view on a matter. Such a decision may, but need not, take the form of a resolution in Writing, copies of which have been signed by each Director or to which each Director has otherwise indicated agreement in Writing.

18.2 A decision which is made in accordance with Article 18.1 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided the following conditions are complied with:

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

18.2.2 following receipt of responses from all of the Directors, the Recipient must communicate to all of the Directors by any means whether the resolution has been formally approved by the Directors in accordance with this Article 18.2;

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

18.2.4 the Recipient must prepare a minute of the decision in accordance with Article 32.

19. Conflicts of interest

19.1 Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a Conflict of Interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already.

19.2 If any question arises as to whether a Director has a Conflict of Interest, the question shall be decided by a majority decision of the other Directors.

19.3 Whenever a matter is to be discussed at a meeting or decided in accordance with Article 18 and a Director has a Conflict of Interest in respect of that matter then, subject to Article 20, he or she must:

19.3.1 remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;

19.3.2 not be counted in the quorum for that part of the meeting; and

19.3.3 withdraw during the vote and have no vote on the matter.

19.4 When a Director has a Conflict of Interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Company by withholding confidential information from the Company if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her.

20. Directors' power to authorise a conflict of interest

20.1 The Directors have power to authorise a Director to be in a position of Conflict of Interest provided:

20.1.1 in the case of any benefit to the Director, this is permitted under Article 24;

20.1.2 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 19.3;

20.1.3 in authorising a Conflict of Interest, the Directors can decide the manner in which the Conflict of Interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a Conflict of Interest can participate in a vote on the matter and can be counted in the quorum;

20.1.4 the decision to authorise a Conflict of Interest can impose such terms as the Directors think fit and is subject always to their right to vary or terminate the authorisation.

20.2 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 20.1 then, even if he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed.

20.3 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 20.1 (subject to any limits or conditions to which such approval was subject).

21. Register of Directors' interests

The Directors shall cause a register of Directors' interests to be kept. A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared.

APPOINTMENT AND RETIREMENT OF DIRECTORS

22. Methods of appointing Directors

- 22.1 There are to be a maximum of 15 and a minimum of 9 Directors.
- 22.2 Of the total number of Directors at any time, at least one-third shall be Residents who shall be referred to as "Resident Directors" (to whom Article 22.3 shall apply), and the other Directors shall be referred to as "Co-opted Directors" (to whom Article 22.4 shall apply).
- 22.3 The following provisions shall apply in relation to Resident Directors:
- 22.3.1 At least one of the Resident Directors must at the date of his or her appointment be a Resident of Moulscomb, Saunders Park, Bates Estate or Higher Bevendean;
- 22.3.2 At least one of the Resident Directors must at the date of his or her appointment be a Resident of Whitehawk or Manor Farm;
- 22.3.3 Each Resident Director is to be appointed as set out in Articles 22.3.8 or 22.3.9 and is to hold office (subject to termination under Article 23) for a term as near as possible to four years.
- 22.3.4 A Resident Director is eligible for re-appointment but so that a Resident Director who has served two consecutive terms of office of four years may not be re-appointed for a period of one year from the expiry of his or her second term of office unless the Board resolves otherwise (by a 66% majority of all the Directors present and voting). For the avoidance of doubt any period during which a Resident Director served as such by reason of his or her being appointed by the Board to fill a casual vacancy under Article 22.3.8 shall not be counted in making the necessary calculations under this provision.
- 22.3.5 The Directors must use all reasonable endeavours to ensure that the appointment process for Resident Directors in accordance with the following provisions is held in sufficient time to allow Resident Directors to replace those who are retiring at the end of their period of office.
- 22.3.6 A person may not be appointed as a Resident Director:
- (a) unless he or she is a Resident;
 - (b) if he or she would immediately cease to be a Director under Article 23; or
 - (c) if another person living at the same address is already a Resident Director.
- 22.3.7 The Directors must arrange a process for the appointment of Residents to fill vacancies for Resident Directors, and in deciding when and how the appointment process is to take place the Directors are to use reasonable endeavours to ensure that:
- (a) every appointment is fair and is conducted as independently as possible; and

- (b) as many as possible of the Residents who are on the Electoral Roll have the opportunity to put themselves up for appointment in accordance with the independent appointment process to become Resident Directors.

22.3.8 Where a casual vacancy occurs for a Resident Director or where following the independent appointment process held under Article 22.3.7 insufficient numbers of persons are appointed as Resident Directors to fill vacancies, the Directors (acting by a 66% majority of the Directors present and voting) may appoint a Resident as a Resident Director.

22.3.9 A Resident Director appointed in accordance with Article 22.3.8 to fill a casual vacancy will continue as a Resident Director until the next appointment process takes place (whether or not it is the time at which the term of office of the person whose retirement or cessation of office caused the vacancy would have come to an end).

22.4 The following provisions shall apply in relation to Co-opted Directors:

22.4.1 Co-opted Directors are to be appointed at a meeting of the Directors.

22.4.2 A Co-opted Director is to hold office (subject to termination under Article 23) for such period of time as the Directors decide on his or her appointment (or, if no such decision is made at the time, for four years), and will be eligible for re-appointment at the end of the term.

22.5 In operating the independent appointment process for Resident Directors, and in appointing Co-opted Directors, the Board is on each occasion so far as practicable to take into account:

22.5.1 the Company's equal opportunities policy;

22.5.2 the need for Directors to contribute to the skills mix and balance of the Directors as a body and in particular the need to include:

- (a) people with skills in and experience and understanding of working in the public, private and voluntary sectors;
- (b) men and women; and
- (c) people who are from different groups in the community such as the black and/or ethnic minorities or the elderly and young people.

23. Termination of Director's appointment

A person ceases to be a Director as soon as:

- (a) 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;
- (b) a bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

- (d) the Directors reasonably believe he or she is suffering from mental disorder and incapable of acting and they resolve that he or she be removed from office;
- (e) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms (but only if at least two Directors will remain in office when such resignation has taken effect);
- (f) the Director fails to attend three consecutive meetings of the Directors and the Directors resolve that the Director be removed for this reason; or
- (g) in the case of a Resident Director:
 - (i) if he or she ceases to be a Resident (unless the Directors resolve at a meeting by a 66% majority of the Directors present and voting that he or she may continue as a Resident Director); or
 - (ii) in all other cases at the beginning of the first meeting of the Directors after the completion of the independent appointment process by which he or she was replaced.

24. Directors' benefits

The Company may make the following payments or grant the following benefits to Directors:

- 24.1 the reimbursement of reasonable and proper out-of-pocket expenses (including travel and dependants' care costs) actually incurred in enabling them to carry out their duties as Directors;
- 24.2 the payment of a reasonable and proper allowance for attending meetings in connection with carrying out their duties as Directors;
- 24.3 the payment of a grant to an organisation or body which employs a Director for the purpose of meeting his or her employment costs provided that:
 - (a) the conflict of interest provisions in Article 20 are complied with and in particular where his or her employment is solely or mainly funded by the Company, the Director withdraws from any Board meeting whilst the funding to that organisation or body is being discussed; and
 - (b) at no time shall more than 25% of the Directors be in employment which is solely or mainly funded by the Company;
- 24.4 an indemnity in respect of any liabilities properly incurred in running the Company (including the costs of a successful defence to criminal proceedings);
- 24.5 the benefit of indemnity insurance purchased by the Company for the Directors;
- 24.6 a payment to a company in which a Director has no more than a 1% shareholding;
- 24.7 payment of reasonable and proper interest on money lent by any Director to the Company;

- 24.8 a reasonable rent or hiring fee for property let or hired by any Director to the Company;
- 24.9 the usual professional charges for business done by any Director who is a solicitor, accountant or other professional or by his or her firm when instructed by the Company to act in a professional capacity on its behalf; or
- 24.10 benefits provided in furtherance of the Objects to Directors who are Beneficiaries where those benefits are no different from benefits which are provided to other Beneficiaries.

25. Directors' expenses

- 25.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:
 - (a) meetings of Directors or committees of Directors;
 - (b) general meetings; or
 - (c) separate meetings of any class of members or of the holders of any debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

MEMBERS

BECOMING AND CEASING TO BE A MEMBER

26. Becoming a member

- 26.1 The Subscribers to the Memorandum are the first members of the Company.
- 26.2 Such other persons as are admitted to membership in accordance with the Articles shall be members of the Company.
- 26.3 No person shall be admitted to a member of the Company unless he or she is approved by the Directors.
- 26.4 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.

27. Termination of membership

- 27.1 Membership is not transferable to anyone else.
- 27.2 Membership is terminated if:
 - 27.2.1 the member dies or ceases to exist;
 - 27.2.2 otherwise in accordance with the Articles; or
 - 27.2.3 a member ceases to be a Director.

DECISION MAKING BY MEMBERS

28. Members' meetings

- 28.1 The Directors may call a general meeting at any time.
- 28.2 General meetings must be held in accordance with the provisions regarding such meetings in the Companies Acts.
- 28.3 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.
- 28.4 Article 28.3 shall not prevent a person who is a proxy for a member or a duly authorised representative of a member from voting at a general meeting of the Company.

29. Written resolutions

- 29.1 Subject to Article 29.3, a written resolution of the Company passed in accordance with this Article 29 shall have effect as if passed by the Company in general meeting:
 - 29.1.1 A written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible members.
 - 29.1.2 A written resolution is passed as a special resolution if it is passed by members representing not less than 75% of the total voting rights of eligible members. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.
- 29.2 In relation to a resolution proposed as a written resolution of the Company the eligible members are the members who would have been entitled to vote on the resolution on the circulation date of the resolution.
- 29.3 A members' resolution under the Companies Acts removing a Director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
- 29.4 A copy of the written resolution must be sent to every member together with a statement informing the member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written notices shall be sent to the Company's auditors in accordance with the Companies Acts.
- 29.5 A member signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated Document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
 - 29.5.1 If the Document is sent to the Company in Hard Copy Form, it is authenticated if it bears the member's signature.
 - 29.5.2 If the Document is sent to the Company by Electronic Means, it is authenticated if the identity of the member is confirmed in a manner agreed by the Directors.

- 29.6 A written resolution is passed when the required majority of eligible members have signified their agreement to it.
- 29.7 A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date.

ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS

30. Means of communication to be used

- 30.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 30.2 Subject to the Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or Documents for the time being.
- 30.3 A Director may agree with the Company that notices or Documents sent to that Director in a particular way are to be deemed to have been received within an agreed time of their being sent, and for the agreed time to be less than 48 hours.

31. 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 referred to in the notice unless a provision of the Companies Acts specifies that such informality, irregularity or want of qualification shall invalidate it.

32. Minutes

- 32.1 The Directors must cause minutes to be made in books kept for the purpose:
- 32.1.1 of all appointments of officers made by the Directors;
- 32.1.2 of all resolutions of the Company and of the Directors (including, without limitation, decisions of the Directors made without a meeting); and
- 32.1.3 of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, including the names of the Directors present at each such meeting;
- and any such minute, if purported to be signed (or in the case of minutes of Directors' meetings signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any member or Director of the Company, be sufficient evidence of the proceedings.
- 32.2 The minutes must be kept for at least ten years from the date of the meeting, resolution or decision.

33. Records and accounts

The Directors shall comply with the requirements of the Companies Acts 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 Regulator of:

- 33.1 annual reports;
- 33.2 annual returns; and
- 33.3 annual statements of account.
- 33.4 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.

34. Indemnity

- 34.1 Subject to Article 34.2, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:
 - (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
 - (b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); and
 - (c) any other liability incurred by that Director as an officer of the Company or an associated company.
- 34.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 34.3 In this Article:
 - (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - (b) a "relevant Director" means any Director or former Director of the Company or an associated company.

35. Insurance

- 35.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.
- 35.2 In this Article:
 - (a) a "relevant Director" means any Director or former Director of the Company or an associated company;
 - (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or

powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the company or associated company; and

- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

36. Exclusion of model articles

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

SCHEDULE

INTERPRETATION

Defined terms

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

<u>Term</u>	<u>Meaning</u>
"Address"	includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;
"Articles"	the Company's articles of association;
"asset-locked body"	means (i) a community interest company, a charity or a Permitted Industrial and Provident Society; or (ii) a body established outside the United Kingdom that is equivalent to any of those;
"bankruptcy"	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
"Chair"	has the meaning given in Article 10;
"Circulation Date"	in relation to a written resolution, has the meaning given to it in the Companies Acts;
"Clear Days"	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"community"	is to be construed in accordance with accordance with Section 35(5) of the Company's (Audit) Investigations and Community Enterprise) Act 2004;
"Companies Acts"	the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company;
"Company"	East Brighton Trust C.I.C.;
"Conflict of Interest"	any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or might conflict with the interests of the Company;
"Co-opted Director"	a person who is appointed as a Co-opted Director under Article 22.4;
"Director"	a director of the Company, and includes any person occupying the position of director, by whatever name called;

“Document”		includes, unless otherwise indicated, any document sent or supplied in Electronic Form;
“East Brighton”		the area of East Brighton the boundary of which is to be determined by the Board, but which includes the Bates Estate, Higher Bevendean, Manor Farm, Moulescoomb, Saunders Park and Whitehawk;
“Electoral Roll”		the electoral roll kept and maintained by Brighton & Hove City Council for the purpose of determining who is eligible to vote in elections for local councillors and in parliamentary elections;
“Electronic Form” “Electronic Means”	and	have the meanings respectively given to them in Section 1168 of the Companies Act 2006;
“Hard Copy Form”		has the meaning given to it in the Companies Act 2006;
“Memorandum”		the Company’s memorandum of association;
“participate”		in relation to a Directors’ meeting, has the meaning given in Article 14;
“Permitted Industrial Provident Society”	and	an industrial and provident society which has a restriction on the use of its assets in accordance with Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006;
“the Regulator”		the Regulator of Community Interest Companies;
“Resident”		a person who occupies a residential property in East Brighton as his or her only or principal home;
“Resident Director”		a Director who is appointed as a Resident Director under Article 22.3;
“Secretary”		the secretary of the Company (if any);
“specified”		means specified in the memorandum or articles of association of the Company for the purposes of this paragraph;
“subsidiary”		has the meaning given in section 1159 of the Companies Act 2006;
“transfer”		includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property; and
“Writing”		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.