

# THE COMPANIES ACT 2006

## A PRIVATE COMPANY LIMITED BY SHARES

### ARTICLES OF ASSOCIATION OF THE KENNET & AVON CANAL TRUST (ENTERPRISE) LIMITED (Company Number 02679756)

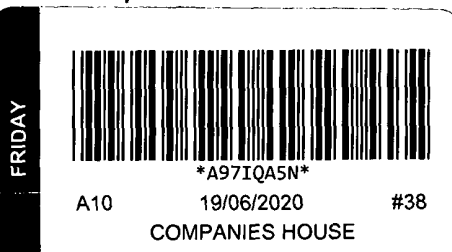
(As altered by Special Resolution passed on 15 May 2020)

#### INTERPRETATION

1. The model articles of association prescribed by The Companies (Model Articles) Regulations 2008 shall not apply.
2. In these Articles:
  - "address" in relation to electronic form includes any number or address used for the purpose of communications in such form;
  - "Articles" means the articles of association of the Company;
  - "circulation date" in relation to a written resolution has the meaning given to it in the Companies Acts;
  - "clear days" in relation to a period of notice means that period excluding the day on which 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;
  - "Companies Acts" has the meaning given to it in section 2 of the Companies Act 2006;
  - "electronic form" has the meaning given to it section 1168 of the Companies Act 2006;
  - "member" in relation to shares means a person whose name is entered in the register of members of the Company as holder of the shares;
  - "Trust" means The Kennet and Avon Canal Trust being the charity registered under number 209206, company number 726331
  - "Objects" means the objects of the Company set out in Article 4.
3. Unless the context otherwise requires, words or expressions contained in the Articles bear the same meanings as in the Companies Acts but excluding any statutory modification not in force on the date the Articles were adopted by the Company.

#### OBJECTS

4. The objects for which the Company is established are to carry on business as a general commercial company by carrying on such activities and business as may in the opinion of the directors be conveniently carried on by the Company, including (without limitation):
  - (1) to carry on such of the activities of the Trust as the Company may from time to time agree with the Trust and which promote generally the work and aims of the Trust;
  - (2) to provide (whether or not on land or properties owned or leased by the Trust) such recreational facilities and services for the enjoyment or convenience of the public as the Company may from time to time determine.



## **POWERS**

5. The Company has the power required to do all such things as it may consider appropriate to further the promotion of the objects or any of them and, without limiting such powers, shall have the power to make such grants, loans and transfers to the Trust or otherwise support the Trust as the Company thinks fit.

## **SHARES AND LIABILITY OF MEMBERS**

6. Subject to the provisions of the Companies Acts any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine.
7. No share may be transferred except with the consent of the members, who may in their absolute discretion and without giving any reason decline to register any transfer of a share or shares.
8. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

## **GENERAL MEETINGS**

9. General meetings shall be called upon at least fourteen clear days' notice but a general meeting may be called upon shorter notice if it is so agreed by members having the rights to attend and vote at the relevant meeting together holding not less than ninety percent in nominal value of the shares giving that right.
10. Each notice convening a general meeting shall comply with the Companies Acts as to the giving of information to members in respect of their right to appoint proxies and shall specify the time and place of the meeting and the general nature of the business to be transacted.
11. Notices and other communications relating to a general meeting which any member is entitled to receive shall be sent to the directors for the time being of the company.
12. No business shall be transacted at a general meeting unless a quorum is present. A quorum for a general meeting shall be two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, provided always that if and for so long as the company has only one member that member, present in person or by proxy or a duly authorised representative of a corporation which is a member, shall be a quorum.
13. If a quorum is not present within half an hour from the time appointed for the meeting or if during a meeting a quorum ceases to be present the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as directors may determine.

## **WRITTEN RESOLUTIONS**

14. A written resolution of the Company passed in accordance with articles 15 to 22 shall have effect as if passed by the Company in general meeting.
15. 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.
16. A written resolution is passed as a special resolution if it is passed by members representing seventy five percent or more of the total voting rights of eligible members. A written resolution is not a special resolution unless it states that it is proposed as a special resolution.
17. 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.

18. A resolution removing a director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
19. A copy of each written resolution shall be sent to all members together with a statement informing them how to signify their agreement to it and the date by which it must be passed if it is not to lapse. Communications in relation to written resolutions shall be sent to the Company's auditors when so required by the Companies Acts.
20. A member signifies his or her 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 it.
21. A written resolution shall be passed when the required majority of eligible members has signified agreement to it.
22. A proposed written resolution shall lapse if it is not passed within twenty eight days from the circulation date.

### **NUMBER OF DIRECTORS**

23. Unless otherwise determined by ordinary resolution the number of directors (other than alternative directors) shall not be subject to any maximum but shall be at least two.

### **POWERS OF DIRECTORS**

24. Subject to the Companies Act, the Articles and any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration to the Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
25. The directors may by power of attorney or otherwise appoint any person to be the agent of the Company for such purposes and on such conditions as they may determine and may give authority for the agent to delegate all or any of his or her powers.

### **DELEGATION OF DIRECTORS' POWERS**

26. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him or her. Any such delegation may be made subject to any conditions the directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.

### **APPOINTMENT OF DIRECTORS**

27. The Company may by ordinary resolution appoint as a director any person who is willing to be a director.

### **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

28. The office of a director shall be vacated if:
  - (1) he or she ceases to be a director by virtue of any provision of the Companies Acts or becomes prohibited by law from being a director;

- (2) he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally;
- (3) he or she is or maybe suffering from mental disorder and either:
  - (a) a registered medical practitioner who is treating him or her gives a written opinion to the Company stating that he or she has become physically or mentally incapable of acting as a director and may remain so for more than three months;
  - (b) by reason of his or her mental health, a court makes an order which wholly or partly prevents him or her from personally exercising any power or rights which he or she would otherwise have;
- (4) he or she resigns his or her office by notice to the Company;
- (5) he or she shall for more than six consecutive months, have been absent without the permission of the directors from meetings of directors held during that period and the other directors resolve that his or her office be vacated; or
- (6) the Company by ordinary resolution removes him or her.

### **REMUNERATION OF DIRECTORS**

29. The directors may be entitled to such remuneration as the Company may by ordinary resolution determine.

### **DIRECTORS' EXPENSES**

30. The directors may be reimbursed travelling, accommodation and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings of the Company or otherwise in connection with the discharge of the duties.

### **DIRECTORS' INTERESTS**

31. Subject to the Companies Acts, a director may be a trustee of or employed by the Trust and shall not, by reason of being a director of the Company, be accountable for any benefit which he or she derives from any such office or employment and no transaction or arrangement of the Company shall be liable to be avoided on the grounds of any such a benefit.

### **PROCEEDINGS OF DIRECTORS**

32. Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may call a meeting of the directors by giving notice of the meeting to the other directors or by authorising the company secretary (if any) to give such notice. Notice of any directors' meeting must indicate its proposed date and time and where it is to take place. Notice of a directors' meeting must be given to each director, but it need not be in writing. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom at the time of the notice.
33. Questions arising at a directors meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall have a second or casting vote unless, in accordance with the Articles, the chairman is not to be counted in the decision-making process for quorum, voting or agreement purposes.
34. The quorum for the transaction of the business of the directors may be fixed by the members but unless so fixed at any other number shall be two.
35. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but if the number of directors is less than the number fixed as the quorum the continuing directors or director may act only for the purpose of calling a general meeting.

36. The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him or her from that office. Unless he or she is unwilling to do so the director so appointed shall preside at each meeting of the directors at which he or she is present. But if there is no director holding that office or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting the directors presently shall appoint one of their number to be chairman of the meeting.
37. All acts done by a meeting of the directors or of a committee of the directors or by a person acting as a director shall not withstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office or had vacated office or are not entitled to vote be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
38. A resolution in writing signed by all directors entitled to receive notice of a meeting of the directors or of a committee of the directors shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of the directors duly convened and held and may consist of several documents in the like form each signed by one or more directors. The date of a written resolution of the directors shall be the date on which the last director signs it.
39. The directors may hold meetings by telephone or video conference or other such suitable means as they think fit provided all participants may communicate with each other simultaneously.
40. The directors may take unanimous decisions without holding a directors' meeting by indicating to each other by other means, including without limitation by electronic form, that they share a common view on the matter. Such a decision made, 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.
41. Except as otherwise provided for under article 42 if a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum, voting or agreements purposes.
42. A director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process and is entitled to vote on or agree to a proposal relating to it if:
- (1) the Company by ordinary resolution disapplies article 41;
  - (2) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (3) the director's conflict of interest arises from him or her being:
    - (a) a trustee of or interested, whether directly or indirectly, in the Trust;
    - (b) a director of or interested, whether directly or indirectly, in a subsidiary company (within the meaning given to it in section 1159 of the Companies Act 2006) of the Trust.
43. Each director shall comply with the obligations to disclose his or her interest in contracts under the Companies Acts.

## **MINUTES**

44. The directors shall cause minutes to be made in books kept for the purpose:
- (1) of all appointments of officers made by the directors; and

- (2) 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 the directors shall cause all written resolution of the members, the directors and committees of the directors to be kept in such books.

## **ACCOUNTS**

45. Accounts shall be prepared in accordance with the Companies Acts.

## **NOTICES**

46. Notices sent pursuant to the Articles may be sent by hand, by post, by electronic form or by being posted on the Company's website. The only address at which a member is entitled to receive notices is the address shown in the register of members. Any notice given in accordance with the Articles is to be treated for all purposes as having been received three days after being sent by first class post to that address or immediately if sent by electronic form effecting immediate transmission and receipt, or, if earlier, on being handed personally to the member or, in the case of a corporate member, its duly authorised representative.

## **INDEMNITY**

47. For the purposes of this article a "Liability" is any liability incurred by a director in connection with any negligence, default, breach of duty or breach of trust by him or her in relation to the Company or otherwise in connection with his or her duties, powers or office. Subject to the Companies Acts and without prejudice to any protection from liability which may otherwise apply:
- (1) the directors shall have power to purchase and maintain for any director insurance against any Liability; and
  - (2) each director shall be indemnified out of the assets of the Company against any Liability incurred by him or her in defending any proceedings in which judgement is given in his or her favour or in which he or she is acquitted or in connection with any application in which relief is granted to him or her by the court from any Liability.

## **WINDING UP**

48. If the Company is wound up all remaining assets of the Company after paying the debts of the Company and the cost of winding up shall be paid or transferred to the Trust or as the Trust may direct.