

Company no.: 07611016

The Companies Act 2006

Company Limited by Guarantee and not having a Share Capital

**Articles of Association of
The Oversight Trust - Assets for the Common Good**

**As amended by special resolution dated 18 May 2016, 25 November 2019, and
28 September 2020**

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PREAMBLE

1. Background

1.1 The Trust is established to:

1.1.1 act as a shareholder in and oversee the mission of Big Society Capital and to invest relevant dormant account monies which the Trust receives under the Dormant Bank and Building Society Accounts Act 2008 in ordinary A shares of Big Society Capital and to protect the public interest in the use of such monies by Big Society Capital; and

1.1.2 act as the sole member and oversee the mission of Access, Youth Futures Foundation and Fair4All Finance and to protect the public interest in the use of funds received by each such organisation under the Dormant Bank and Building Society Accounts Act 2008.

INTERPRETATION

2. Defined terms

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

OBJECTS AND POWERS

3. Objects

The objects of the Trust are, in the public interest, to:

3.1 promote and develop social investment and the social investment market in the United Kingdom:

3.1.1 by acting as a shareholder in and providing oversight of Big Society Capital with the aim of ensuring that Big Society Capital remains true to its object, and

3.1.2 by acting as the sole company law member and providing oversight of Access

in each case in accordance with the terms of any Governance Agreement; and

3.2 promote the needs of young people by acting as the sole company law member and providing oversight of Youth Futures Foundation; and

3.3 promote individuals' ability to manage their finances and more generally to improve access to personal financial services by acting as the sole company law member and providing oversight of Fair4All Finance,

in each case in accordance with the terms of any Governance Agreement.

4. **Powers**

The Trust has the power to do all such lawful things as shall further the Trust's object, including the power to:

- 4.1 act as shareholder or member of each of the Group Companies with a view to:
 - 4.1.1 ensuring that each Group Company is well governed;
 - 4.1.2 ensuring that any proposed changes to the object(s) of the Group Companies are appropriate;
 - 4.1.3 ensuring that each Group Company's strategic plans are in accordance with their objects;
 - 4.1.4 reviewing the achievement of social impact by each Group Company; and
 - 4.1.5 reviewing the transparency of each Group Company's financial and impact reporting;
- 4.2 provide advice and guidance to each Group Company;
- 4.3 commission independent reviews of the Group Companies to assess the effectiveness of each Group Company in advancing its objects, including its social impact, overall effectiveness and stakeholder feedback;
- 4.4 co-operate with charities, voluntary bodies, public authorities and other bodies and exchange information with them;
- 4.5 alone or with other organisations make representations to and seek to influence governmental and other bodies and institutions;
- 4.6 hire rooms for meetings of the Directors or of the Members or any committee of the Directors;
- 4.7 set aside funds as reserves against future expenditure;
- 4.8 open and operate bank accounts and other facilities for its internal purposes;
- 4.9 engage and pay consultants and professional or other advisers;
- 4.10 insure the property of the Trust, including any shares owned by it in Big Society Capital, against any foreseeable risk and take out other insurance policies as are considered necessary by the Directors to protect the Trust;
- 4.11 provide indemnity insurance to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Trust, including without limitation any liability to make a contribution to the Trust's assets as specified in section 214 of the Insolvency Act 1986 (wrongful trading), provided that any such insurance shall not extend to the provision of any indemnity for a person in respect of:
 - 4.11.1 any act or omission which he or she knew to be a breach of trust or breach of duty or which was committed by him or her in reckless disregard to whether it was a breach of trust or breach of duty or not;

- 4.11.2 any liability incurred by him or her in defending any criminal proceedings in which he or she is convicted of an offence arising out of any fraud or dishonesty, or wilful or reckless misconduct by him or her; or
- 4.11.3 in relation to any liability to make a contribution to the Trust's assets as specified in section 214 of the Insolvency Act 1986, any liability to make such a contribution where the basis of the Director's liability is his or her knowledge prior to the insolvent liquidation of the Trust (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Trust would avoid going into insolvent liquidation; and
- 4.12 employ and remunerate such staff as are necessary for carrying out the work of the Trust. The Trust may employ or remunerate a Director only to the extent it is permitted to do so by Article 5 and provided it complies with the conditions in that Article.

5. **Limitation on private benefits**

- 5.1 Subject to the Articles, the income and property of the Trust shall be applied solely towards the promotion of its object.
- 5.2 Except as may be required under the general law or as part of any distribution of funds under the Dormant Bank and Building Society Accounts Act 2008, under no circumstances shall any part of the income or property of the Trust be paid, invested or transferred directly or indirectly on the instructions of Her Majesty's Government or any public authority or political party.
- 5.3 Any distributions received by the Trust from Big Society Capital (by way of dividends or otherwise) shall be applied by the Trust solely by way of granting such distributions or an amount equivalent thereto either to Big Society Foundation or by applying them for the purpose of promoting social investment.
- 5.4 Except as provided below in this Article 5.4, no part of the income and property of the Trust may be paid or transferred directly or indirectly by way of benefit to the Members of the Trust and no Director or person Connected to a Director may receive any dividend, remuneration or other benefit in money or money's worth from the Trust. This shall not prevent any payment in good faith by the Trust of:
- 5.4.1 reasonable and proper out-of-pocket expenses of Directors;
- 5.4.2 payment under the indemnity at Article 7;
- 5.4.3 reasonable and proper premiums in respect of indemnity insurance effected in accordance with Article 4.11; and
- 5.4.4 reasonable and proper remuneration to the Directors for any goods or services supplied to the Trust on the instructions of the Directors (including, in the case of a Director, the service of acting as a Director) in accordance with Article 10.
- 5.5 Nothing in this Article 5 shall prevent any Group Company providing any benefit by way of finance or other support to a charity or other social sector organisation of which a Director is a trustee, officer or employee.

6. **Limited liability**

- 6.1 The liability of the Members is limited.
- 6.2 Every Member undertakes to contribute a sum not exceeding £1 to the assets of the Trust if it is wound up during his or her membership or within one year afterwards:
 - 6.2.1 for payment of the debts and liabilities of the Trust contracted before he or she ceased to be a Member;
 - 6.2.2 for the costs, charges and expenses of winding up; and
 - 6.2.3 for the adjustment of the rights of the contributories among themselves.

7. **Indemnity**

Without prejudice to any indemnity to which a Director may otherwise be entitled, every Director shall be indemnified out of the assets of the Trust in relation to any liability incurred by him or her in that capacity but only to the extent permitted by the Companies Acts; and every other officer of the Trust may be indemnified out of the assets of the Trust in relation to any liability incurred by him or her in that capacity, but only to the extent permitted by the Companies Acts.

DIRECTORS

APPOINTMENT AND RETIREMENT OF DIRECTORS

8. **Appointment of Directors**

- 8.1 The Directors shall comprise:
 - 8.1.1 such persons as the Directors may from time to time appoint by majority vote whom the Directors consider collectively to possess an appropriate range of experience and expertise from the private, public and social sectors to enable the Trust to carry out its objects;
 - 8.1.2 subject to Article 8.4, such persons as were in office immediately before the adoption of these Articles;
 - 8.1.3 a Government Appointee; and
 - 8.1.4 an NLCF Appointee.
- 8.2 Except in the case of a director in office immediately before the adoption of these Articles, each Director appointed under Article 8.1.1 shall be appointed following an open recruitment process and in accordance with recruitment policies adopted by the Directors from time to time. Vacancies will be publicised on the website of the Trust and publicised openly within appropriate sector press. An appointments committee comprising at least three Directors of the Trust shall review applications and candidates and shall recommend candidates by majority vote to the Directors for appointment.
- 8.3 Except in relation to the Government Appointee and the NLCF Appointee, each Director shall retire from office at the end of the third Annual Retirement Meeting following the commencement of his or her term of office (taking into account any term of office commenced before the adoption of these Articles). Such retiring Directors may be reappointed but any

such Director who has served for three consecutive terms of office (taking into account any period of service undertaken before the adoption of these Articles) must take a break from office and may not be reappointed until the earlier of:

- 8.3.1 the anniversary of the commencement of his or her break from office; and
- 8.3.2 the Annual Retirement Meeting following the Annual Retirement Meeting at which his or her break from office commenced.

Ex Officio Appointees

- 8.4 Any Director in office immediately before the adoption of these Articles by virtue of being an Ex Officio Appointee shall immediately cease holding office at the point these Articles are adopted. Such a Director may be immediately reappointed under 8.1.1 of these Articles, provided that they may not serve for more nine years in total before taking a break from office of at least one year.

Government Appointee

- 8.5 The Secretary of State shall have the right to appoint and replace the Government Appointee from time to time by notice in writing to the Trust.

NLCF Appointee

- 8.6 NLCF shall have the right to appoint and replace the NLCF Appointee from time to time by notice in writing to the Trust.

Alternate directors

- 8.7 The Government Appointee and the NLCF Appointee (but no other Director) may appoint another Director as his or her alternate director to act on his or her behalf at meetings of the Directors.

9. Disqualification and removal of Directors

A Director shall immediately cease to hold office if:

- 9.1 that person ceases to be a Director by virtue of any provision of the Companies Act 2006, these Articles or is prohibited from being a director by law;
- 9.2 a bankruptcy order is made against that person;
- 9.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 9.4 a registered medical practitioner who is treating that person gives a written opinion to the Trust stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- 9.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;

- 9.6 notification is received by the Trust 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 four Directors will remain in office when such resignation has taken effect);
- 9.7 he or she fails to attend three consecutive meetings of the Directors held on full notice, unless in a particular case the Directors consider that his or her non-attendance is the result of exceptional circumstances and they resolve that he or she should continue in office;
- 9.8 he or she is removed by a Special Decision of the Directors on the grounds that such person's continuing directorship is detrimental to the Trust or its object; or
- 9.9 he or she ceases to be a Member of the Trust.

10. **Remuneration of Directors**

- 10.1 The Directors must establish and maintain a policy regarding the remuneration of Directors, taking into account both the objects of the Trust and the resources available to the Trust and the Directors shall only be entitled to such remuneration as may be permitted under the policy.

DIRECTORS' POWERS AND RESPONSIBILITIES

11. **Directors' general authority**

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

12. **Chair**

The Directors will appoint a Director to be the Chair of the Board for such term of office as they determine and may at any time remove him or her from that office except that neither the NLCF Appointee or the Government Appointee shall be eligible to be Chair or to chair any meeting of the Directors or of the Members.

13. **Board may delegate**

- 13.1 Subject to the Articles, the Board may delegate any of its powers or functions to any committee.
- 13.2 Subject to the Articles, the Board may delegate the implementation of its decisions or day to day management of the affairs of the Trust to any person or committee as the Board think fit.
- 13.3 The Board may revoke or amend any delegation in whole or part at any time.

14. **Committees**

- 14.1 In the case of delegation to committees:
- 14.1.1 the composition of any committee shall be composed exclusively of Directors but otherwise shall be in the discretion of the Board and may include such of its number as the resolution may specify;

- 14.1.2 the deliberations of any committee must be reported regularly to the Board and any resolution passed or decision taken by any committee must be reported promptly to the Board and every committee must appoint a secretary for that purpose;
- 14.1.3 subject to the Articles, the Board may make such regulations and impose such terms and conditions and give such mandates to any committee as they may from time to time think fit; and
- 14.1.4 no committee shall knowingly incur expenditure or liability on behalf of the Trust except where authorised by the Board or in accordance with a budget which has been approved by the Board.
- 14.2 Subject to Article 14.3, the meetings and proceedings of any committee shall be governed by the Articles regulating the meetings and proceedings of the Directors so far as they apply and are not superseded by any regulations made by the Board.
- 14.3 Quorum for meetings of any committee may be fixed from time to time by a decision of the Directors and (unless otherwise fixed by the Directors) it is two or one-third of the number of total committee members, whichever is the greater.

DECISION-MAKING BY DIRECTORS

15. Directors to take decisions collectively

Subject to any applicable requirements of law, a decision of the Directors must be:

- 15.1 by decision of a majority of the Directors present and voting at a quorate Board meeting or where a majority approve a decision by means of a resolution in Writing; or
- 15.2 where so required by these Articles, a Special Decision taken in accordance with Article 22; or
- 15.3 where so required by these Articles, a Consensus Decision taken in accordance with Article 21.

16. Calling a Board meeting

- 16.1 Any one Director may (and the Secretary, if any, must at the request of any one Director) call a Board meeting.
- 16.2 A Board meeting must normally be called by at least 21 Clear Days' notice unless either:
 - 16.2.1 all the Directors agree; or
 - 16.2.2 urgent or otherwise exceptional circumstances require.
- 16.3 Notice of Board meetings must be given to each Director.
- 16.4 Every notice calling a Board meeting must specify:
 - 16.4.1 the place, day and time of the meeting;
 - 16.4.2 the general nature of the business to be considered at such meeting; and

16.4.3 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.

16.5 Notice of Board meetings shall be in Writing.

17. **Participation in Directors' meetings**

17.1 Subject to the Articles, Directors participate in all or part of a Board meeting when:

17.1.1 the meeting has been called and takes place in accordance with the Articles; and

17.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

17.2 In determining whether Directors are participating in a Board meeting, it is irrelevant where any Director is or how they communicate with each other.

17.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting takes place wherever any of them is located.

17.4 The chief executives from time to time of the Group Companies may, at the invitation of the Chair, be invited to attend meetings of the Directors as observers provided that the chief executives of the Group Companies shall absent themselves from meetings if and when requested by the Chair or following a request from any other Director.

17.5 The chairs from time to time of the Group Companies shall be entitled to attend meetings of the Directors as observers and shall (as far as practicable) receive notice of such meetings at the same time as the Directors, provided that the chairs of the Group Companies shall absent themselves from a meeting or part of a meeting if and when requested by the Chair or following a request from any other Director.

18. **Quorum for Board meetings**

18.1 At a Board meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

18.2 The quorum for Board meetings shall be four Directors.

18.3 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 to appoint further Directors.

19. **Chairing of Board meetings**

The Chair, if any, or in his or her absence another Director nominated by the Directors present (whom for the avoidance of doubt, shall not be the Government Appointee or the NLCF Appointee) shall preside as chair of each Board meeting.

20. **Casting vote**

The chair of the meeting shall have a casting vote.

21. **Consensus Decisions of the Board with or without a meeting**

Subject to Article 28, a decision is taken as a Consensus Decision in accordance with this Article when, disregarding any

- 21.1 dissenting vote cast,
- 21.2 abstention, or
- 21.3 failure to vote

by each of the Government Appointee and the NLCF Appointee, all of the other Directors eligible to vote on the matter indicate to each other by voting at a duly convened Board meeting that they share a common view on a matter, or so confirm by means of a resolution in Writing.

22. **Special Decisions of the Board with or without a meeting**

- 22.1 Except as provided in clause 22.2, a decision is taken as a Special Decision in accordance with this Article when at least 75% of the Directors eligible to vote on the matter indicate by voting at a duly convened Board meeting that they share a common view on a matter, or so confirm by means of a resolution in Writing.
- 22.2 Where any Special Decision relates to the adoption of a Governance Agreement as mentioned in clause 28.1, or the amendment of such a Governance Agreement in accordance with clause 28.2.5, insofar as such Special Decision shall relate to or affect policies for remuneration of the directors and staff of any of the Group Companies, such matter shall require a Consensus Decision.

23. **Decision to remove directors of Big Society Capital**

- 23.1 Subject to Article 23.4, the Trust shall not seek to remove a director(s) of Big Society Capital unless, at a meeting of the Directors, a Special Decision is passed that the relevant director(s) be removed from office.
- 23.2 In the event that the Trust decides to remove a director(s) of Big Society Capital under Article 23.1, the Trust shall immediately provide Big Society Capital with a written statement setting out the reasons for its decision.
- 23.3 The Trust shall ensure that following the exercise of any right it has to remove a director(s) of Big Society Capital, Big Society Capital shall retain a sufficient number of directors to enable quorate board meetings to be held by it.
- 23.4 The Trust shall not seek to remove a director of Big Society Capital who has been appointed as a director by the Banks.

24. **Decision to remove directors of Access, Youth Futures Foundation and Fair4All Finance**

- 24.1 The Trust shall not seek to remove a director(s) of Access, Youth Futures Foundation or Fair4All Finance unless at a meeting of the Directors, a Special Decision is passed that the relevant director(s) be removed from office.

24.2 In the event that the Trust decides to remove a director(s) of Access, Youth Futures Foundation or Fair4All Finance under Article 24.1, the Trust shall immediately provide Access, Youth Futures Foundation or Fair4All Finance (as applicable) with a written statement setting out the reasons for its decision.

24.3 The Trust shall ensure that following the exercise of any right it has to remove a director(s) of Access, Youth Futures Foundation or Fair4All Finance, the relevant entity shall retain a sufficient number of directors to enable quorate board meetings to be held by it.

25. **Conflicts of interest**

Declaration of interests

25.1 Unless Article 25.2 applies, a Director must at any Board meeting declare the nature and extent of:

25.1.1 any direct or indirect interest which he or she has in a proposed transaction or arrangement with the Trust; and

25.1.2 any duty or any direct or indirect interest which he or she has which conflicts or may conflict with the interests of the Trust or his or her duties to the Trust.

25.2 There is no need to declare any interest or duty of which the other Directors are, or ought reasonably to be, already aware.

Participation in decision-making

25.3 If a Director's interest or duty cannot reasonably be regarded as likely to influence materially that Director's judgement in undertaking his or her duties in respect of the Trust, he or she shall be entitled to participate in the decision-making process at a Board meeting, to be counted in the quorum and to vote in relation to the matter. Any uncertainty about whether a Director's interest or duty is likely to give rise to a conflict shall be determined by a majority decision of the other Directors taking part in the decision-making process.

25.4 If a Director's interest or duty does influence materially that Director's judgement in undertaking his or her duties in respect of the Trust (or could reasonably be regarded as likely to do so), he or she may nevertheless participate in the decision-making process at a Board meeting and may be counted in the quorum and vote unless:

25.4.1 the decision could result in the Director or any person who is Connected with him or her receiving a benefit other than:

(a) reimbursement of expenses in accordance with Article 5.4.1;

(b) payment under the indemnity in accordance with Article 5.4.2; and

(c) the payment of premiums in respect of indemnity insurance effected in accordance with Article 5.4.3; or

25.4.2 any Director objects to such participation on the part of the Director in question,

in which case he or she must comply with Article 25.5.

- 25.5 If a Director with a conflict of interest or conflict of duties is required to comply with this Article 25.5, he or she must:
- 25.5.1 take part in the decision-making process at a Board meeting only to such extent as in the view of the other Directors is necessary to inform the debate;
 - 25.5.2 not be counted in the quorum for that part of the process; and
 - 25.5.3 withdraw during the vote and have no vote on the matter.

Disapplication of conflict

- 25.6 Notwithstanding any other provision of these Articles, any general conflict of interest or conflict of duties arising as a result of the fact that:
- 25.6.1 the Government Appointee may have employment or another connection with H.M. Government; or
 - 25.6.2 the NLCF Appointee may have employment or another connection with NLCF,
- shall be disregarded and such Director shall be entitled to count in the quorum and vote on any matter notwithstanding such conflict.

Continuing duties to the Trust

- 25.7 Where a Director has a conflict of interest or conflict of duties and the Director has complied with his or her obligations under these Articles in respect of that conflict:
- 25.7.1 the Director shall not be in breach of his or her duties to the Trust by withholding confidential information from the Trust if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her; and
 - 25.7.2 the Director shall not be accountable to the Trust for any benefit expressly permitted under these Articles which he or she or any person Connected with him or her derives from any matter or from any office, employment or position.

26. Register of Directors' interests

The Directors must cause a register of Directors' interests to be kept.

27. Validity of Director actions

All acts done by a person acting as a Director shall, even if afterwards discovered that there was a defect in his or her appointment or that he or she was disqualified from holding office or had vacated office, be as valid as if such person had been duly appointed and was qualified and had continued to be a Director.

28. Discretion to make further rules and to amend the Articles of each of the Group Companies

- 28.1 Subject to Article 22.2, the Board may by Special Decision approve on behalf of the Trust a Governance Agreement relating to the relationship between the Trust and each of the Group Companies, which may include, amongst other matters:

- 28.1.1 remuneration of the directors and staff of each such Group Company; and
- 28.1.2 the recruitment of directors and senior staff of each such Group Company.
- 28.2 The Trust shall not:
 - 28.2.1 exercise its votes as a shareholder of Big Society Capital to approve any amendment to the Articles of Association of Big Society Capital except where:
 - (a) in the case of a proposed amendment to the Articles of Association of Big Society Capital affecting Articles:
 - (i) 3, 4, 26, 30, 37, 38, 39 and/or 60 of the Articles of Association of Big Society Capital (as they existed at the date of the adoption of these Articles of Association), such amendment is approved by a Consensus Decision and, strictly in relation to Article 3.2.1 (Objects), such Consensus Decision includes the approval of the NLCF Appointee; and
 - (b) in all other cases, such amendment or exercise is approved by a Special Decision;
 - 28.2.2 exercise its rights as member of Access to approve any amendment to the Articles of Association of Access except where:
 - (a) in the case of a proposed amendment to the Articles of Association of Access affecting Articles 3, 4, 5, 6, and/or 18 of the Articles of Association of Access (as adopted on or around the date of adoption of these Articles of Association), such amendment is approved by a Consensus Decision and, strictly in relation to Article 4, such Consensus Decision includes the approval of the NLCF Appointee; and
 - (b) in all other cases, such amendment or exercise is approved by a Special Decision;
 - 28.2.3 exercise its rights as member of Youth Futures Foundation to approve any amendment to the Articles of Association of Youth Futures Foundation except where:
 - (a) in the case of a proposed amendment to the Articles of Association of Youth Futures Foundation affecting Articles 2, 3, 5 and/or 17 of the Articles of Association of Youth Futures Foundation (as adopted on or around the date of adoption of these Articles of Association), such amendment is approved by a Consensus Decision and, strictly in relation to Article 3.1, such Consensus Decision includes the approval of the NLCF Appointee; and
 - (b) in all other cases, such amendment or exercise is approved by a Special Decision;
or
 - 28.2.4 exercise its rights as member of Fair4All Finance to approve any amendment to the Articles of Association of Fair4All Finance except where:
 - (a) in the case of a proposed amendment to the Articles of Association of Fair4All Finance affecting Articles 2, 3, 5 and/or 16 of the Articles of Association of Fair4All Finance (as adopted on or around the date of adoption of these Articles of Association), such amendment is approved by a Consensus Decision and strictly in

relation to Article 2.2, such Consensus Decision includes the approval of the NLCF Appointee; and

- (b) in all other cases, such amendment or exercise is approved by a Special Decision; or
- 28.2.5 approve any amendment to any policies of any of the Group Companies contained in a Governance Agreement that has been signed by the Trust and the respective Group Company, where the terms of such Governance Agreement requires such an amendment to be approved by a Special Decision, except where such amendment or exercise is approved by a Special Decision.
- 28.3 Subject to the Articles and the Companies Acts, the Board may make any rule which it thinks fit about how it takes decisions.

MEMBERS

BECOMING AND CEASING TO BE A MEMBER

29. Directors as Members

29.1 The Directors from time to time shall be the only Members of the Trust.

29.2 A Director shall become a Member on becoming a Director.

30. Termination of membership

30.1 A Member shall cease to be a Member if he or she ceases to be a Director.

30.2 Membership is not transferable and shall cease on death.

DECISION-MAKING BY MEMBERS

31. Members' Meetings

31.1 The Directors may call a general meeting of the Members at any time.

31.2 Such meetings must be held in accordance with the provisions regarding such meetings in the Companies Acts and in accordance with this Article 31.

31.3 At a general meeting of the Members, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

31.4 The quorum for a meeting of Members shall be five Members.

32. Members' Decisions

32.1 Subject to any applicable requirements of law and the further provisions of these Articles (and in particular Article 34 (Entrenchment)) a decision of the Members must be:

32.1.1 by ordinary or special resolution in accordance with the Companies Acts; or

- 32.1.2 where so required by these Articles, a Special Members' Decision taken in accordance with Article 32.2; or
- 32.1.3 where so required by these Articles, a Consensus Members' Decision taken in accordance with Article 32.3.
- 32.2 A Special Members' Decision shall be a decision approved by at least 75% of the Members eligible to vote on the matter, voting at a duly convened general meeting of the Members or by means of a written resolution in accordance with these Articles.
- 32.3 Subject to Article 34, a Consensus Members' Decision shall be a decision which, disregarding any:
- 32.3.1 dissenting vote cast,
- 32.3.2 abstention, or
- 32.3.3 failure to vote
- by each of the Government Appointee and the NLCF Appointee, is approved by all the Members eligible to vote on the matter, voting at a duly convened general meeting of the Members or by means of a written resolution in accordance with these Articles.

WRITTEN RESOLUTIONS

33. Written resolutions

- 33.1 Subject to the Companies Acts and the further provisions of these Articles a written resolution agreed by:
- 33.1.1 members representing a simple majority; or
- 33.1.2 (in the case of a special resolution) members representing not less than 75%; or
- 33.1.3 such other requisite majority as required under these Articles and as set out at Article 32;
- of the total voting rights of eligible members shall be effective.
- 33.2 On a written resolution each Member shall have one vote.
- 33.3 A written resolution is not a special resolution unless it stated that it was proposed as a special resolution.
- 33.4 A Members' resolution under the Companies Acts removing a Director or auditor from office may not be passed as a written resolution.
- 33.5 A written resolution need not be evidenced by a single instrument but may be evidenced by several instruments in like form.

Circulation

- 33.6 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.

- 33.7 Communications in relation to written resolutions must be sent to the Trust's auditors in accordance with the Companies Acts.

ENTRENCHMENT

34. Entrenchment

Special Members' Decisions

- 34.1 Save as is provided in this Article 34, these Articles may be amended by a Special Members' Decision.

Consensus Members' Decisions

- 34.2 The following Articles may be amended only by a Consensus Members' Decision:

3 (Objects), provided that any amendment of Article 3 must also include the approval of the NLCF Appointee;

4 (Powers);

5 (Limitation on private benefits);

8 (Appointment of Directors), provided that any amendment of Article 8 relating to the position of the NLCF Appointee must also include the approval of the NLCF Appointee;

9 (Disqualification and removal of Directors), provided that any amendment of Article 9 relating to the position of the NLCF Appointee must also include the approval of the NLCF Appointee;

21 (Consensus Decisions of the Board with or without a meeting), provided that any amendment of Article 21 which amends the rights of the NLCF Appointee must also include the approval of the NLCF Appointee;

22 (Special Decisions of the Board with or without a meeting);

23 (which relates to a decision to remove directors of Big Society Capital);

24 (which relates to a decision to remove directors of Access, Youth Futures Foundation and Fair4All Finance);

25 (Conflicts of interest), provided that any amendment of Article 25 relating to the position of the NLCF Appointee must also include the approval of the NLCF Appointee;

28.1 (which relates to approval of the Governance Agreements),

28.2 (which relates to the Trust's role in decisions relating to the Group Companies and the Governance Agreements), provided that any amendment of Article 28.2 which amends the rights of the NLCF Appointee must also include the approval of the NLCF Appointee;

42 (Winding up the Trust), and

this Article 34 (Entrenchment), provided that any amendment of this Article 34 which amends the rights of the NLCF Appointee must also include the approval of the NLCF Appointee.

- 34.3 In no circumstances shall the Trust transfer, assign or dispose of all or any part of its shareholding or membership interest (as the case may be) in each of the Group Companies to any other person or permit any issue of shares in Big Society Capital to any other person, except where such transfer, assignment, disposal or permission has been approved by a Consensus Members' Decision.
- 34.4 Notwithstanding article 34.3, the Trust shall not transfer, assign or dispose of all or any part of its shareholding in Big Society Capital except to an organisation with objects which are the same as or similar to the objects of Big Society Capital, as stated in that organisation's constitutional document(s).
- 34.5 For the avoidance of doubt and for the purposes of section 631 of the Companies Act 2006, if and to the extent that the Government Appointee's consent would be required to any future variation of his or her rights as a member of the Trust in the context of any proposed amendment of these Articles or otherwise, that consent is deemed to have been given by virtue of this Article 34.
- 34.6 The Trust shall comply with section 22 of the Companies Act 2006 in relation to the notification of any amendment made to the Articles under this Article 34.

ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS

35. Communications by the Trust

Methods of communication

- 35.1 Subject to the Articles and the Companies Acts, any Document or information (including any notice, report or accounts) sent or supplied by the Trust under the Articles or the Companies Acts 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 the Trust, including without limitation:
- 35.1.1 in hard copy form;
- 35.1.2 in Electronic Form; or
- 35.1.3 by making it available on a website.
- 35.2 Where a Document or information which is required or authorised to be sent or supplied by the Trust under the Companies Acts is sent or supplied in Electronic Form or by making it available on a website, the recipient must have agreed that it may be sent or supplied in that form or manner or be deemed to have so agreed under the Companies Acts (and not revoked that agreement). Where any other Document or information is sent or supplied in Electronic Form or made available on a website the Directors may decide what agreement (if any) is required from the recipient.
- 35.3 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 which that Director has asked to be sent or supplied with such notices or Documents for the time being.

Deemed delivery

- 35.4 A Member present in person or by proxy at a meeting of the Trust shall be deemed to have received notice of the meeting and the purposes for which it was called.
- 35.5 Where any Document or information is sent or supplied by the Trust to the Members:
- 35.5.1 where it is sent by post it is deemed to have been received 48 hours (including Saturdays, Sundays, and public holidays) after it was posted;
- 35.5.2 where it is sent or supplied by Electronic Means, it is deemed to have been received on the same day that it was sent;
- 35.5.3 where it is sent or supplied by means of a website, it is deemed to have been received:
- (a) when the material was first made available on the website; or
 - (b) if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 35.6 Subject to the Companies Acts, a Director or any other person (other than in their capacity as a member) may agree with the Trust that notices or Documents sent to that person in a particular way are deemed to have been received within a specified time, and for the specified time to be less than 48 hours.

Failed delivery

- 35.7 Where any Document or information has been sent or supplied by the Trust by Electronic Means and the Trust receives notice that the message is undeliverable:
- 35.7.1 if the Document or information has been sent to a member and is notice of a general meeting of the Trust, the Trust is under no obligation to send a Hard Copy of the Document or information to the member's postal address as shown in the Trust's register of Members, but may in its discretion choose to do so;
- 35.7.2 in all other cases, the Trust shall send a Hard Copy of the Document or information to the member's postal address as shown in the Trust'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 (if any); and
- 35.7.3 the date of service or delivery of the Documents or information shall be the date on which the original electronic communication was sent, notwithstanding the subsequent sending of hard copies.

Exceptions

- 35.8 Copies of the Trust's annual accounts and reports need not be sent to a person for whom the Trust does not have a current Address.

35.9 Notices of general meetings need not be sent to a member who does not register an Address with the Trust, or who registers only a postal address outside the United Kingdom, or to a member for whom the Trust does not have a current Address.

36. **Communications to the Trust**

The provisions of the Companies Acts shall apply to communications to the Trust.

37. **Secretary**

A Secretary may be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and may be removed by them. If there is no Secretary:

37.1 anything authorised or required to be given or sent to, or served on, the Trust by being sent to its Secretary may be given or sent to, or served on, the Trust itself, and if addressed to the Secretary shall be treated as addressed to the Trust; and

37.2 anything else required or authorised to be done by or to the Secretary of the Trust may be done by or to a Director or a person authorised generally or specifically in that behalf by the Directors.

38. **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:

38.1 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;

38.2 any failure on the part of the Secretary of State to appoint a Government Appointee or any failure on the part of the Government Appointee or any alternate Director appointed by the Government Appointee to participate in any such proceedings, meetings, resolutions or decisions of the Trust; or

38.3 any failure on the part of NLCF to appoint an NLCF Appointee or any failure on the part of the NLCF Appointee or any alternate Director appointed by the NLCF Appointee to participate in any such proceedings, meetings, resolutions or decisions of the Trust.

39. **Minutes**

The Directors must cause minutes to be made:

39.1 of all appointments of officers made by the Directors;

39.2 of all resolutions of the Trust and of the Directors (including, without limitation, decisions of the Directors made without a meeting); and

39.3 of all proceedings at meetings of the Trust and of the 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 Trust, be sufficient evidence of the proceedings.

40. 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 of:

- 40.1 annual reports;
- 40.2 annual returns; and
- 40.3 annual statements of account.

41. Exclusion of model articles

Any model articles for a company limited by guarantee prescribed by law are hereby expressly excluded.

WINDING UP

42. Winding up

42.1 At any time before, and in expectation of, the winding up or dissolution of the Trust, the Directors may resolve that any net assets of the Trust after all its debts and liabilities have been paid, or provision made for them, shall on the dissolution or winding up of the Trust be applied or transferred in any of the following ways:

- 42.1.1 to Big Society Foundation;
- 42.1.2 directly for the objects of the Trust; or
- 42.1.3 to any not for profit institution(s) with purposes similar to the object of the Trust.

42.2 Notwithstanding article 42.1, (i) any cash sitting on the balance sheet of the Trust at the point of winding up or dissolution which has arisen as a result of a distribution from Big Society Capital shall be applied by way of a grant either to Big Society Foundation or for the purpose of promoting social investment; (ii) the shares held by the Trust in Big Society Capital may only be transferred to an organisation with objects the same as or similar to those of Big Society Capital.

42.3 In no circumstances shall the net assets of the Trust be paid to or distributed among the Members of the Trust under this Article 42.

SCHEDULE

INTERPRETATION

Defined terms

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

	Term	Meaning
1.1	“Access”	Access – The Foundation for Social Investment with registered charity number 1159699 and company number 9153909 and registered office at 8 - 10 New Fetter Lane, London, EC4A 1AZ;
1.2	“Address”	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;
1.3	"Annual Retirement Meeting"	the meeting of the Directors at which the accounts of the Trust are adopted;
1.4	"Articles"	the articles of association of the Trust;
1.5	"Banks"	Barclays, HSBC, Lloyds Banking Group and Royal Bank of Scotland and their respective successors and assigns;
1.6	"Board"	the Directors acting as a board of directors;
1.7	"Big Society Capital"	Big Society Capital Limited with registered company number 07599565 and registered office at 8 - 10 New Fetter Lane, London, EC4A 1AZ;
1.8	“Big Society Foundation”	Big Society Foundation with company number 07927834 and registered office at 8 - 10 New Fetter Lane, London, England, EC4A 1AZ;
1.9	"Chair"	has the meaning given in Article 12;
1.10	"Circulation Date"	in relation to a written resolution, has the meaning given to it in the Companies Acts;
1.11	"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;
1.12	"Companies Acts"	the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Trust;
1.13	"Connected"	in relation to a Director means any person falling within any of the following categories:

		(a) any spouse, civil partner, parent, child, brother, sister, grandparent or grandchild of the Director; or
		(b) the spouse or civil partner of any person in (a); or
		(c) any other person in a relationship with the Director which may reasonably be regarded as equivalent to such a relationship as is mentioned at (a) or (b); or
		(d) any company, partnership or firm of which the Director is a paid director, member, partner or employee, or shareholder holding more than 1% of the capital;
1.14	"Consensus Decision"	a decision of the Board taken in accordance with Article 21;
1.15	"Consensus Members' Decision"	a decision of the Members taken in accordance with Article 32.3;
1.16	"Directors"	the company law directors of the Trust;
1.17	"Document"	includes summons, notice, order or other legal process and includes, unless otherwise specified, any document sent or supplied in Electronic Form;
1.18	"Electronic Form" and "Electronic Means"	have the meanings respectively given to them in Section 1168 of the Companies Act 2006;
1.19	"Ex Officio Appointee"	any person appointed as a Director under any of Articles 8.1.3, 8.1.4, 8.1.6, 8.1.7 or 8.4 of the Trust's articles of association adopted on 18 May 2016;
1.20	"Fair4All Finance"	Fair4All Finance Limited with company number 11810533 and registered office at Glydwish Hall, Fontridge Lane, Etchingham, East Sussex, England, TN19 7DG;
1.21	"Governance Agreement"	a bilateral agreement entered into between the Trust and each of the Group Companies relating to the governance of the Trust and the respective Group Companies, as may be agreed or amended from time to time by agreement in writing between the parties;
1.22	"Government Appointee"	a person who is a serving senior civil servant (SCS Payband 2 or above) and is appointed under Article 8.5;

- 1.23 **“Group Companies” or “Group Company”** Access, Big Society Capital, Fair4All Finance and Youth Futures Foundation and any other company in which the Trust holds more than 50% of the shares or membership interests, controls more than 50% of the voting rights, or has the right to appoint a majority of the board of the company;
- 1.24 **"Members"** the company law members of the Trust;
- 1.25 **“NLCF”** The National Lottery Community Fund (legally known as the Big Lottery Fund), a statutory corporation established by the National Lottery Act 2006;
- 1.26 **“NLCF Appointee”** a person appointed to represent NLCF under Article 8.6;
- 1.27 **"Secretary"** the secretary of the Trust (if any);
- 1.28 **“Secretary of State”** means the Secretary of State for Digital, Culture, Media and Sport (or such person as may inherit the responsibilities of the Secretary of State as at the date of these Articles)
- 1.29 **“Special Members’ Decision”** a decision of the Members taken in accordance with Article 32.2;
- 1.30 **"Trust"** The Oversight Trust - Assets for the Common Good;
- 1.31 **"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; and
- 1.32 **“Youth Futures Foundation”** Youth Futures Foundation Limited with company number 11814131 and registered office at C/O Esmee Fairbairn 5th Floor, Kings Place, 90 York Way, London, United Kingdom, N1 9AG.
2. Subject to paragraph 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, 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 at the date when the Articles became binding on the Trust.