

The *Companies Act 2006*

Articles of Association

of

RZZT CIC

INTERPRETATION

1. Defined terms

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

COMMUNITY INTEREST COMPANY AND ASSET LOCK

2. Community Interest Company

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 the asset-locked body specified in Article 3.5 below.

3.5 For the purposes of this Article³, the following asset-locked body is specified as a potential recipient of the Companys assets under Articles 3.2 and 3.4:

Name: Public Software CIC

Company Registration Number: 10026175

Registered office: Fiander Tovell Llp Stag Gates House, 63/64 The Avenue, Southampton, United Kingdom, SO17 1XS

4. Not for profit

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

OBJECTS, POWERS AND LIMITATION OF LIABILITY

5. Objects

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

- (a) finance the development of free and open-source software that respects, protects or fulfills human rights and civil liberties, in particular economic rights, and the rights to privacy and freedom of expression,
- (b) promote and provide free education about free and open-source software, and
- (c) give out awards recognising excellence in the areas of free and open-source software and open culture.

6. Powers

To further its objects the Company may do all such lawful things as may further the Companys 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 Companys 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' POWERS AND RESPONSIBILITIES

8. Directors' general authority

Subject to the Articles, the Directors are responsible for the management of the Companys 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 invalidates 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
 - 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 conditionsas they think fit.
- 11.2 If the Directors so specify, any such delegation 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.

12. Committees

- 12.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.
- 12.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

DECISION-MAKING BY DIRECTORS

13. 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 19.

14. Calling a Directors meeting

14.1 Two Directors may (and the Secretary, if any, must at the request of two Directors) call a Directors meeting.

14.2 A Directors meeting must be called by at least seven Clear Days notice unless either

14.2.1 all the Directors agree, or

14.2.2 urgent circumstances require shorter notice.

14.3 Notice of Directors meetings must be given to each Director.

14.4 Every notice calling a Directors meeting must specify

14.4.1 the place, day and time of the meeting, and

14.4.2 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.

14.5 Notice of Directors meetings must be in Writing.

14.6 Notice of Directors meetings must be sent by Electronic Means to an Address provided by the Director for the purpose, but may also be given by additional means.

15. Participation in Directors' meetings

15.1 Subject to the Articles, Directors participate in a Directors meeting, or part of a Directors meeting, when

15.1.1 the meeting has been called and takes place in accordance with the Articles, and

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

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

15.3 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.

16. Quorum for Directors meetings

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

16.2 The quorum for Directors meetings is two-thirds of the total number of Directors.

16.3 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

16.3.1 to appoint further Directors, or

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

17. 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.

18. Decision-making at a meeting

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

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

18.3 In case of an equality of votes, the Chair shall have a second or casting vote.

19. Decisions without a meetings

19.1 The Directors may take a unanimous decision without a Directors meeting 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.

19.2 A decision which is made in accordance with Article 19.1 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:

19.2.1 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,

19.2.2 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 19.2,

19.2.3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval, and

19.2.4 the Recipient must prepare a minute of the decision in accordance with Article 48.

20. Conflicts of interest

- 20.1 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.
- 20.2 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.
- 20.3 Whenever a matter is to be discussed at a meeting or decided in accordance with Article 19 and a Director has a Conflict of Interest in respect of that matter then, subject to Article 21, he or she must
- 20.3.1 remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate,
 - 20.3.2 not be counted in the quorum for that part of the meeting, and
 - 20.3.3 withdraw during the vote and have no vote on the matter.
- 20.4 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.

21. Directors power to authorise a conflict of interest

- 21.1 The Directors have power to authorise a Director to be in a position of Conflict of Interest provided that in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 20.3.
- 21.2 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.
- 21.3 A 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.
- 21.4 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 21.1 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.
- 21.5 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 21.1 (subject to any limits or conditions to which such approval was subject).

22. 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

23. Methods of appointing directors

23.1 Those persons notified to the Registrar of Companies as the first Directors of the Company shall be the first Directors.

23.2 A person may not be appointed to be a Director if they have been convicted of, or are currently awaiting trial for, a criminal offence in any jurisdiction.

23.3 Subject to these articles, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director

(a) by ordinary resolution, or

(b) by a decision of the Directors,

so long as the total number of Directors does not exceed three.

23.4 In the event that ordinary resolutions are proposed that would, if passed, appoint more than three Directors, the Directors shall be appointed by full preferential instant run-off vote using a written open ballot, according to which the three most preferred persons shall be appointed as Directors.

23.5 In any case where, as a result of death, the Company has no members and no Directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a member.

23.6 For the purposes of Article 23.5, where two or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

24. Termination of Directors 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 Acts, 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 persons creditors generally in satisfaction of that

persons debts,

- (d) 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),
- (e) the Director fails to attend three consecutive meetings of the Directors and the Directors resolve that the Director be removed for this reason,
- (f) at a general meeting of the Company, a resolution is passed that the Director be removed from office, provided the meeting has invited the views of the Director concerned and considered the matter in the light of such views, or
- (g) the Director is convicted of a criminal offence in any jurisdiction.

25. Directors remuneration

25.1 Directors may undertake any services for the Company that the Directors decide.

25.2 Directors are entitled to such remuneration as the Directors determine

- (a) for their services to the Company as Directors, and
- (b) for any other service which they undertake for the Company.

25.3 Subject to the Articles, a Directors remuneration may:

25.3.1 take any form, and

25.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

25.4 Unless the Directors decide otherwise, Directors remuneration accrues from day to day.

25.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Companys subsidiaries or of any other body corporate in which the Company is interested.

26. Directors expenses

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.

BECOMING AND CEASING TO BE A MEMBER

27. Becoming a member

- 27.1 The subscribers to the Memorandum are the first members of the Company.
- 27.2 Such other persons as are admitted to membership in accordance with the Articles shall be members of the Company.
- 27.3 No person shall be admitted a member of the Company unless he or she is approved by the Directors.
- 27.4 No person shall be admitted a member of the Company if they have been convicted of, or are currently awaiting trial for, a criminal offence in any jurisdiction.
- 27.5 Every person who wishes to become a member shall deliver to the Company an application for membership in such form (and containing such information) as the Directors require and executed by him or her.

28. Termination of membership

- 28.1 Membership is not transferable to anyone else.
- 28.2 Membership is terminated if
 - 28.2.1 the member dies or ceases to exist,
 - 28.2.2 otherwise in accordance with the Articles,
 - 28.2.3 the member is convicted of a criminal offence in any jurisdiction, or
 - 28.2.4 at a meeting of the Directors at which at least half of the Directors are present, a resolution is passed resolving that the member be expelled on the ground that his or her continued membership is harmful to or is likely to become harmful to the interests of the Company. Such a resolution may not be passed unless the member has been given at least 14 Clear Days notice that the resolution is to be proposed, specifying the circumstances alleged to justify expulsion, and has been afforded a reasonable opportunity of being heard by or of making written representations to the Directors. A member expelled by such a resolution will nevertheless remain liable to pay to the Company any subscription or other sum owed by him or her.