

**Company No: 699547**  
**Charity No: 225971**

**COMPANIES ACT 2006**

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**COMPANY LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL**

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**ARTICLES OF ASSOCIATION**

**OF**

**BRITISH HEART FOUNDATION**

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**Incorporated on 28 July 1961**

**Amended by special resolutions passed on 24 September 1996, 20 July 2006,  
29 January 2008, 17 May 2010, 23 January 2014, 21 September 2015, 1 October  
2015 and 31 March 2016**

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## **INTERPRETATION**

1. Words and phrases in the Articles with initial capital letters have the meanings set out in Article 83. Where required, other definitions are set out in particular Articles.

## **NAME**

2. The name of the company is British Heart Foundation ("**BHF**").

## **OBJECTS**

3. The Objects for which the BHF is established are: to attack and defeat diseases and conditions of the heart and circulation and other diseases illness or conditions, by undertaking and promoting research for the public benefit into their cause, diagnosis, treatment and prevention, promoting their diagnosis, treatment and prevention, educating the public and alleviating suffering and promoting the welfare of persons afflicted and those who care for such persons.

## **POWERS**

4. In furtherance of the Objects, the BHF shall have the powers to:
  - (1) provide financial or other assistance, including by supporting financially, or otherwise, persons engaged in medical and scientific research and training;
  - (2) support financially or provide advice, care and counseling for patients and the families and dependants of patients with diseases of the heart and circulation and any other disease or illness which may be related;
  - (3) provide advice or information and collect, coordinate and disseminate in any form medical, scientific or other data and information and to procure to be written and printed, published, issued and circulated any reports, books, periodicals, newspapers, leaflets or other documents or films, videos or recorded tapes or electronically published material or data in any form;
  - (4) hold or support seminars, congresses, conferences and public meetings;
  - (5) establish branches in the United Kingdom or elsewhere;
  - (6) influence public policy and act as a representative body in cardiological matters in the United Kingdom and internationally and to examine, watch, promote, support or oppose any legislation or administrative action affecting or likely to affect the attainment of the Objects and for that purpose to petition any government department, any municipal, local or other authority or public body anywhere in the world;
  - (7) establish, subsidise, promote, amalgamate, co-operate or federate with, affiliate or become affiliated to, act as trustee or agent for or manage or lend money or provide any guarantee or other assistance to or for the benefit of any association, society, company or other body, whether or not incorporated, whose objects are charitable or where it is desirable in the interests of the BHF;
  - (8) enter into contracts to provide services to or on behalf of other bodies;

- (9) solicit and accept donations of any kind;
- (10) undertake, accept, execute and administer, without remuneration, any charitable or other trusts;
- (11) establish and support or aid in the establishment and support of, or subsidise, encourage and assist any charitable association or institution, trust or fund;
- (12) purchase, lease, hire or otherwise receive property of any kind and maintain and equip it for use;
- (13) sell, manage, lease, mortgage, exchange or dispose of all or any part of its property (but only in accordance with the restrictions imposed by the Charities Act 2011).
- (14) borrow and raise money and give security (but only in accordance with the restrictions imposed by the Charities Act 2011);
- (15) set aside funds for special purposes, or as reserves against future expenditure;
- (16) invest and deal with the BHF's money, not immediately required for the Objects, in or upon any investments, securities or property;
- (17) delegate the management of investments to an appropriately experienced and qualified financial expert (being an individual, company or firm authorised to give investment advice under the Financial Services and Markets Act 2000), provided that:
  - (a) the investment policy is set down in writing for the financial expert by the Board,
  - (b) the performance of the investments is reviewed regularly by the Board,
  - (c) the Board is entitled to cancel the delegation,
  - (d) the investment policy and the delegation arrangements are reviewed at least once a year,
  - (e) all payments due to the financial expert are on a scale or at a level agreed in advance and are notified to the Board at least annually, and
  - (f) the financial expert may not do anything outside the BHF's powers.
- (18) arrange for any investments or other property belonging to the BHF to be held in the name of a nominee acting under the direction of the Board, or controlled by a financial expert (as defined by Article 4(17)) acting under the instructions of the Trustees and to pay any reasonable sum to the nominee for acting as such.
- (19) open and operate bank accounts or other facilities for banking and carry out related financial activities;
- (20) apply for and obtain any legislative, municipal or other Acts or authorisations;
- (21) act as executor, administrator or trustee (whether alone or in conjunction with another person or persons) of any estate in which the BHF is beneficially

interested and to apply whether through a nominee or nominees or not for a grant of representation;

- (22) hold, administer, sell, realise, invest, dispose of and deal with the monies and property both real and personal and carry on, manage, sell, realise, dispose of and deal with any business comprised or included in any estate of which the BHF is executor, administrator or trustee;
- (23) institute, conduct, defend, compound, settle or abandon any legal proceedings by and against the BHF or its officers or staff, or otherwise concerning the affairs of the BHF and compromise and settle any claims or demands by or against the BHF;
- (24) trade in the course of carrying out of the Objects, and carry on any other trade, except any trade or business where some or all of the profits are subject to corporation tax;
- (25) subject to Article 5 (limitation on private benefits), employ staff and make arrangements for the payment of pensions and retirement benefits to staff and their dependents;
- (26) by power of attorney or otherwise appoint any person as an agent for such purposes and on such conditions as the Board may determine;
- (27) establish or acquire subsidiary entities including, but not limited to, charities and companies of any kind and whether or not for the purpose of trading;
- (28) insure the property of the BHF against any foreseeable risk and take out other insurance policies to protect the BHF when required;
- (29) pay out of the funds of the BHF the cost of any premium in respect of any insurance or indemnity to cover liability of the Trustees in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011; and
- (30) do all other lawful things that further the Objects, or help to further the Objects.

#### **LIMITATION ON PRIVATE BENEFITS**

- 5. The income and property of the BHF shall be applied solely towards the promotion of the Objects and no part shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit to Members, and no Trustee shall be appointed to any office of the BHF paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the BHF.
  - (1) Provided that nothing in this document shall prevent any payment in good faith by the BHF:
    - (a) of reasonable and proper remuneration for any services rendered to the BHF by any officer or servant of the BHF who is not a Trustee;
    - (b) of interest on money lent by any Member or a Trustee at a reasonable and proper rate per annum not exceeding two per cent less than the published base lending rate of the BHF's clearing bankers;

- (c) of fees, remuneration or other benefit in money or money's worth to any company of which a Member or Trustee may also be a member holding not more than one hundredth part of the issued capital of that company;
  - (d) a reasonable and proper rent for premises demised or let by any Member or by a Trustee;
  - (e) of a grant in respect of research work or projects conducted or supervised by a Member or Trustee within an established research institution, provided that:
    - (i) the research project shall have been subject to an independent scientific review by research peers in the field, which means that Trustees shall not participate;
    - (ii) the grant shall have been authorised by one of the Committees, to whom the Board shall have delegated such matters, at a meeting from which that Trustee (if a member of that Committee) has withdrawn and he or she shall have taken no part in the discussions or voting; and
    - (iii) no grant shall be paid to a Member or Trustee in person but shall be paid to the administrative body of the institution in which the research is conducted;
  - (f) to any Trustee of reasonable out of pocket expenses;
  - (g) of any premium in respect of any indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to the BHF: Provided that any such insurance shall not extend to any claim arising from criminal or wilful or deliberate neglect or default on the part of the Board (or any Trustee) and provided also that any such insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against all or any of the Trustees in their capacity as Trustees; and
  - (h) any payment to any Trustee under the indemnity provisions in the Articles.
- (2) A Trustee or Connected Person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the BHF where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011.
- (3) Subject to Article 5(4) a Trustee or Connected Person may provide the BHF with goods that are not supplied in connection with services provided to the BHF by the Trustee or Connected Person.
- (4) The BHF and its Trustees may only rely upon the authority provided by Article 5(3) if each of the following conditions is satisfied:
- (a) the amount or maximum amount of the payment for the goods is set out in an agreement in writing between:

- (i) the BHF or its Trustees (as the case may be); and
  - (ii) the Trustee or Connected Person supplying the goods (“the supplier”) under which the supplier is to supply the goods in question to or on behalf of the BHF;
- (b) the amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question;
- (c) the other Trustees are satisfied that it is in the best interests of the BHF to contract with the supplier rather than with someone who is not a Trustee or Connected Person. In reaching that decision the Trustees must balance the advantage of contracting with a Trustee or Connected Person against the disadvantages of doing so;
- (d) the supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the BHF;
- (e) the supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of Trustees is present at the meeting;
- (f) the reason for their decision is recorded by the Trustees in the minute book; and
- (g) a majority of the Trustees then in office are not in receipt of remuneration or payments authorised by Article 5.
- (5) In this Article 5 “BHF” shall include any company of which the BHF holds more than 50% of the shares, or controls more than 50% of the voting rights attached to the shares, or has the right to appoint one or more directors to the board of the company.
- (6) In this Article 5 “Connected Person” means:
- a child, parent, grandchild, grandparent, brother or sister of the Trustee;
  - the spouse or civil partner of the Trustee or of any person falling within paragraph (a) above;
  - a person carrying on business in partnership with the Trustee or with any person falling within paragraph (a) or (b) above;
  - an institution which is controlled -
    - (i) by the Trustee or any Connected Person falling within paragraph (a), (b), or (c) above; or
    - (ii) by two or more persons falling within sub-paragraph (i), when taken together
  - a body corporate in which:

- (i) the Trustee or any Connected Person falling within paragraphs (a) to (c) has a substantial interest; or
  - (ii) two or more persons falling within sub-paragraph (i) who, when taken together, have a substantial interest.
- (7) Sections 350 to 352 of the Charities Act 2011 (meaning of child, spouse and civil partner, controlled institution and substantial interest) apply for the purposes of interpreting the terms used in this Article.

#### **LIMITATION OF LIABILITY**

6. The liability of the Members is limited.

#### **GUARANTEE**

7. Every Member undertakes to contribute to the assets of the BHF, in the event of its being wound up while they are a Member, or within one year after they cease to be a Member, for payment of the debts and liabilities of the BHF contracted before they cease to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.

#### **PATRONS**

8. The Board may appoint (and may remove) any person to be a Patron of the BHF.

#### **MEMBERS**

9. The BHF must maintain a register of Members.
10. Membership is open only to the Trustees.
11. A Trustee shall automatically:
- (1) be admitted as a member on being appointed as a Trustee, and
  - (2) cease to be a member on ceasing to be a Trustee.
12. Membership is not transferrable.

#### **GENERAL MEETINGS**

##### ***Attendance at a general meeting***

13. Trustees (in their capacity as Members) are entitled to attend a general meeting in person or by proxy (but only if the appointment of a proxy is in writing and notified to the BHF before the start of the meeting).

##### ***Calling a general meeting***

14. The Board may call a general meeting at any time.

15. A general meeting shall be called on at least 14 Clear Days' written notice, or on shorter notice if agreed by at least 90% of the Members entitled to attend and vote at the meeting.
16. The notice calling a general meeting must specify:
  - (1) the place, date and time of the meeting,
  - (2) the general nature of the business to be transacted, and
  - (3) if a Special Resolution is to be proposed, the terms of the proposed Special Resolution.
17. Notice of a general meeting must be given to each Trustee (in their capacity as a Member), and to the BHF's auditors.
18. The accidental omission to give notice to, or the non-receipt of notice by any person entitled to receive notice shall not invalidate the proceedings at a general meeting.

#### ***Participation in a general meeting***

19. A general meeting may be held either in person or by suitable Electronic Means that allow all participants to communicate with all the other participants.

#### ***Quorum***

20. No business shall be transacted at any general meeting unless a quorum is present. The quorum is not less than one half of the Members (rounded down to the nearest whole number where the number of Members is not an even number), of which at least one Member present must be Medically Qualified and at least one must be non-Medically Qualified.
21. 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 must be adjourned to such time and place as the person presiding as chair may determine.

#### ***Chair***

22. The Chair of the Board shall preside at every general meeting, but if there is no Chair of the Board or the Chair of the Board is unwilling or unable to preside or is not present within five minutes after the time appointed for the meeting, the Vice-Chair of the Board shall preside as chair of the meeting. If the Vice-Chair of the Board is unwilling or unable to preside or is not present within five minutes after the time appointed for the meeting, the Trustees present may appoint one of their number to be chair of the meeting.

#### ***Voting***

23. A resolution put to the vote of a general meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Companies Act, a poll may be demanded:
  - (1) by the chair of the meeting; or



- (2) by any Member or Members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting.
24. Unless a poll is demanded, a declaration by the chair of the meeting that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting, shall be conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.
25. Subject to Article 26, every Member, shall have one vote on each issue.
26. In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting shall be entitled to a casting vote in addition to any other vote they may have.

### ***Written resolution***

27. Except where otherwise provided by the Articles or the Companies Act, a resolution in writing (whether an ordinary or a Special Resolution) is as valid as an equivalent resolution passed at a general meeting, and a resolution in writing may be set out in more than one document.
28. A technical defect in the appointment of a Member of which the Members are unaware at the time does not invalidate a decision taken at a general meeting or a resolution in writing.
29. The BHF may, but need not, hold an annual general meeting in each year.

## **THE BOARD**

### ***General***

30. The Trustees, as charity trustees, have control of the BHF and its property and funds.
31. The minimum number of Trustees shall be ten and the maximum number of Trustees shall be fourteen.
32. One-half (or where the number of Trustees is not an even number, the nearest whole number rounded down) of the Trustees shall be Medically Qualified. The Trustees (in their capacity as Members) may from time to time by Special Resolution increase or reduce the minimum and maximum number of Trustees, provided that the equal balance of Medically Qualified and non-Medically Qualified Trustees is maintained so far as is practicable.
33. The Trustees may be paid all reasonable travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the Board (or its Committees, advisory communities or sub-Committees) or otherwise in connection with the discharge of their duties, but shall otherwise be paid no remuneration (save as permitted by Article 5).

### ***Powers of the Board***

34. Subject to the provisions of the Act, and the Articles, the affairs of the BHF shall be managed by the Board. The Board may exercise all the powers of the BHF and do or procure to be done on behalf of the BHF all such acts as may be exercised and done by the BHF and are not by statute or by these Articles required to be exercised by the Trustees in their capacity as Members.
35. The Board shall have power from time to time to make (and amend or repeal) such rules and regulations as it may deem necessary or expedient or convenient for the proper conduct and management of the BHF and its affairs, provided that the same shall not be inconsistent with the Articles.

### ***Appointment and retirement of Trustees***

36. No person shall be appointed or re-appointed a Trustee:
  - (1) unless they are at least eighteen but less than 75 years of age,
  - (2) unless they support the Objects and sign a written declaration of willingness to act as a trustee of the BHF,
  - (3) in circumstances such that, had they already been a Trustee, they would have been disqualified from acting under the provisions of Article 39,
  - (4) unless they are recommended for appointment by the Nominations Committee, and
  - (5) if their appointment would adversely affect the balance of Medically Qualified Trustees and non-Medically Qualified Trustees on the Board.

### ***Appointment and terms of office of Trustees***

37. Subject to Article 38, Trustees are appointed by the Trustees for a term of up to three years. Any Trustee so appointed shall be eligible for re-appointment, if the Trustees think fit, for a second term of up to three years. A Trustee may serve a maximum of two terms, save that, in exceptional circumstances, a Trustee may be re-appointed for an additional term of up to two years.
38. For the avoidance of doubt:
  - (1) the Trustees in office at the date of the adoption of these Articles shall continue as the Trustees, and
  - (2) any terms of office served by Trustees prior to the date of the adoption of these Articles, or being served by Trustees at the date of the adoption of these Articles, shall be counted for the purpose of Article 37, except that any interim term of office served between the date on which a Trustee was first appointed and an annual general meeting at which the Trustee was appointed for a three year term shall not be counted.

### ***Disqualification, resignation and removal of Trustees***

39. A Trustee shall cease to hold office if the Trustee:
- (1) is disqualified from acting as a company director or a charity trustee,
  - (2) becomes incapable, whether mentally or physically, of managing their own affairs and the Board resolves that the Trustee be removed for this reason,
  - (3) resigns by written notice to the Board (but only if at least two Trustees will remain in office when the notice of resignation is to take effect),
  - (4) is absent without permission from three consecutive meetings of the Board and the Board resolves that the Trustee be removed for this reason,
  - (5) is removed by a resolution passed by at least seventy-five per cent of the Trustees present and voting at a meeting of the Board at which the matter is considered provided that:
    - (a) the Trustee concerned shall be informed of the reasons for their proposed removal and shall be given the opportunity either to make a written submission to the Board, or be invited to attend the meeting to give his views on the matter, and
    - (b) the Trustees shall, before passing any resolution, have considered the views of the Trustee concerned.

### ***Chair and Vice-Chair of the Board***

40. The Board shall appoint from among its number (and may remove):
- (1) a Chair, who must be a non Medically Qualified Trustee (except in exceptional circumstances), and
  - (2) a Vice-Chair, who must be a Medically Qualified Trustee (except in exceptional circumstances).
41. The term of office of the Chair and Vice-Chair shall be up to three years and they shall be eligible for re-election for further terms of office, but their term of office shall automatically terminate if they cease to be a Trustee.

### ***Proceedings of the Board***

42. Subject to the Articles, the Board may meet for the despatch of business, adjourn and otherwise regulate its proceedings as it thinks fit.
43. The Board must hold a minimum of three meetings in each year.
44. Three Trustees may call a Board meeting and the Secretary must call a Board meeting at the request of three Trustees.
45. Every notice calling a Board meeting must specify:
- (1) the place, date and time of the meeting,

- (2) the general particulars of all business to be considered at the meeting, and
  - (3) if it is anticipated that Trustees participating in the meeting will not be in the same place, how it is proposed that they should communicate with all the other participants,
46. It shall not be necessary to give notice of a meeting to a Trustee who is absent from the United Kingdom.
  47. Questions arising at a meeting shall be decided by a majority of votes. Each Trustee has one vote on each issue, but, in the case of an equality of votes, the person presiding as chair of the meeting has a second or casting vote.
  48. The quorum for the transaction of the business of the Board may be fixed by the Board but shall not be less than one half of the Trustees (rounded down to the nearest whole number where the number of Trustees is not an even number), of which at least one Trustee present must be Medically Qualified and at least one must be non-Medically Qualified.
  49. If the total number of Trustees is less than the number fixed as the quorum, the Board may act only for the purpose of filling vacancies.
  50. The Chair shall preside at every meeting of the Board, but if there is no Chair, or the Chair is unwilling or unable to preside, or is not present within five minutes after the time appointed for the meeting, the Vice-Chair shall preside as chair of the meeting. If the Vice-Chair is unwilling or unable to preside or is not present within five minutes after the time appointed for the meeting, the Trustees present may appoint one of their number to be chair of the meeting.
  51. The Board may invite persons who are not Trustees (including but not limited to members of any of Committees and experts of any kind) to attend any of its meetings for the purpose of providing advice or information on any subject.
  52. All acts done by a meeting of the Board shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Trustee or that any of them were disqualified from holding office, or had vacated office, or were 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 Trustee and had been entitled to vote.
  53. A resolution in writing Signed or approved by letter or Electronic Means (or in such other manner as the Board may approve) by all the Trustees entitled to vote on such resolution and to be counted in the quorum at a meeting of the Board for the purposes of such resolution shall be as valid and effective as if it had been passed at a meeting of the Board duly convened and held, provided it is approved by a sufficient number of Trustees to constitute a quorum. Such a resolution may consist of several documents each Signed or approved by or on behalf of one or more Trustees.
  54. A Board meeting may be held either in person or by suitable Electronic Means, agreed by the Board, by means of which each participant may communicate with all the other participants.

## **SECRETARY**

55. Subject to the provisions of the Companies Act and Article 5, the Board may appoint (and may remove) a Secretary and an assistant or deputy Secretary.

## **APPOINTMENT OF TRUSTEE TO UNREMUNERATED EXECUTIVE OFFICE**

56. Subject to the provisions of the Companies Act and Article 5, the Board may appoint (and may remove) one or more of their number to an unremunerated executive office in the BHF on a temporary basis.
57. Any such appointment or engagement may be made for the purpose of discharging such duties and upon such terms as the Board determines and the Board may dismiss any Trustee so appointed or engaged.
58. Any appointment of a Trustee to an unremunerated executive office shall terminate if they cease to be a Trustee.

## **CHIEF EXECUTIVE**

59. The Board shall appoint a chief executive for such term, at such remuneration and upon such conditions as the Board thinks fit, with responsibility for the day-to-day management of the BHF. The Board may remove the chief executive.

## **DELEGATION**

60. The Board may delegate any of the powers conferred on it under the Articles (except where prohibited from doing so):
- (1) to such person or Committee,
  - (2) by such means (including by power of attorney),
  - (3) to such an extent,
  - (4) in relation to such matters, and
  - (5) on such terms and conditions,
- as it thinks fit.
61. A delegation may authorise further delegation of the Board's powers by any person to whom, or Committee to which, they are delegated.
62. The Board may at any time revoke any delegation in whole or part, or alter its terms and conditions.
63. For avoidance of doubt, the Board may delegate the overseeing of all financial matters to a Committee, including authority to resolve upon the operation of any bank account according to such mandate as it shall think fit from time to time.

## **DELEGATION TO COMMITTEES**

64. The following provisions shall apply to any delegation to a Committee:
- (1) the delegation must specify those who are to serve on the Committee (but may allow the Committee to make co-options up to a specified number), together with any mechanisms for the appointment of new or replacement Committee members,
  - (2) the Committee may comprise such of its number (if any) and other individuals as the Board may specify,
  - (3) decisions of any Committee and any matter which a member of any Committee wishes to bring to the attention of the Trustees must be reported regularly to the Board,
  - (4) the Board may make such regulations and impose such terms of reference and give such mandates to any Committee as it may from time to time think fit, and
  - (5) unless the terms of delegation to a Committee are to the contrary, a Committee may delegate any of its powers or the implementation of any of its resolutions to any sub-Committee and the provisions of this Article shall apply to such delegation with all such changes as the context shall require.

## **ADVISORY COMMUNITIES**

65. The Board may constitute such Advisory Communities as it shall think fit to advise it on any matter within the Objects. The Board shall specify the membership, terms of reference and procedures applicable to such Advisory Communities.

## **ADVISORY COUNCIL**

66. The Board, members of Committees and members of Advisory Communities shall together comprise an Advisory Council. The Board shall determine the procedures applicable to the Advisory Council.

## **RECORDS AND ACCOUNTS**

67. The Board must comply with the requirements of the Companies Act and of the Charities Act as to keeping records, the audit of accounts and the preparation and submission to the Registrar of Companies and the Charity Commission of information required by law, including:
- (1) annual returns,
  - (2) annual reports, and
  - (3) annual statements of account.
68. The Board must also keep records of all proceedings at meetings of the Board and Committees and all reports of Committees.
69. The Board shall comply with the requirements of the Companies Act and the Charities Act in relation to the inspection by Members of the minute books and

annual accounts of the BHF, but subject to those restrictions may impose reasonable restrictions as to the time and manner of any such inspection.

### **EXECUTION OF DOCUMENTS**

70. The seal shall only be used on the authority of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and, unless otherwise so determined by resolution of the Board, it shall be Signed by a Trustee and countersigned by the Secretary or assistant or deputy Secretary or by a second Trustee.
71. No instrument that makes it clear on its face that it is intended by the person or persons making it to have effect as a deed shall be so Signed without the authority of the Board or of a delegate authorised by the Board.

### **CONFLICTS OF INTEREST**

72. Subject to Article 73, whenever a Trustee is in a situation that gives rise to, or is reasonably likely to give rise to, a Conflict of Interest, the Trustee must:
  - (1) declare the nature and extent of the interest before discussion begins on the matter,
  - (2) withdraw from the meeting or discussion for that item, after providing any information requested by the other Trustees,
  - (3) not be counted in the quorum for that part of the meeting or decision-making process,
  - (4) be absent during the vote and have no vote on the matter, and
  - (5) comply with any other requirement which the other Trustees resolve is necessary.
73. When any Trustee has a Conflict of Interest, the Trustees who do not have a Conflict of Interest (if they form a quorum without counting the Trustee and are satisfied that it is in the best interests of the BHF to do so) may by resolution passed in the absence of the Trustee permit the Trustee, notwithstanding any Conflict of Interest which has arisen or may arise for the Trustee, to:
  - (1) continue to participate in discussions leading to the making of a decision, or to vote, or both,
  - (2) disclose to a third party information confidential to the BHF,
  - (3) take any other action not otherwise authorised which does not involve the receipt by the Trustee (or a Connected Person) of any payment or material benefit from the BHF, or
  - (4) refrain from taking any step required to remove the conflict.
74. Where a Trustee has a Conflict of Interest which has been declared to the Trustees, the Trustee shall not be in breach of that Trustee's duties to the BHF by withholding

confidential information from the BHF if to disclose it would result in a breach of any other duty of obligation of confidence.

## **AUDIT**

75. Auditors shall be appointed and their duties regulated in accordance with the Companies Act.

## **NOTICES**

76. Any notice to be given to or by any person pursuant to the Articles shall be in writing (or shall be given using Electronic Means) except that a notice calling a meeting of the Trustees need not be in writing.
77. The BHF may give any notice to a Trustee (as a Trustee or in their capacity as a Member) by hand, by post, or by suitable Electronic Means. The only address at which a Trustee or Member is entitled to receive notices sent by post is an address in the UK shown in the register of Members.
78. Notice given in accordance with these Articles shall be deemed to have been given as follows:

<i>Method of delivery</i>	<i>Date of deemed receipt</i>
Personal delivery	Immediately
Post	48 hours after the envelope containing the notice was posted by first class post
Hand delivery to a notified address	Date of delivery
Electronic means	12 hours after the time of transmission

79. The accidental omission to give notice of a meeting to or the non-receipt of a notice of a meeting by a person entitled to receive a notice shall not invalidate the proceedings of that meeting.

## **TRUSTEE AND OFFICER INDEMNITY**

80. To the extent permitted by law in accordance with sections 232-234 of the Companies Act 2006, but without prejudice to any indemnity to which a Trustee or other officer may otherwise be entitled, the BHF may indemnify every Trustee or other officer out of the assets of the BHF against all costs and liabilities incurred by them which relate to anything done or omitted or alleged to have been done or omitted by them as a Trustee or other officer, save that no Trustee may be entitled to be indemnified:
- (1) for any liability incurred by him to the BHF or any associated company of the BHF (as defined by the Act for these purposes);
  - (2) for any fine imposed in criminal proceedings;



- (3) for any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;
  - (4) for any liability incurred in defending any criminal proceedings in which the Trustee is convicted and such conviction has become final;
  - (5) for any liability incurred in defending any civil proceedings brought by the BHF or an associated company in which a final judgment has been given against the Trustee or officer; and
  - (6) for any liability incurred in connection with any application under the Companies Act in which the court refuses to grant the Trustee or officer relief and such refusal has become final.
81. To the extent permitted by law, in accordance with section 205 of the Companies Act 2006, the BHF may provide funds to every Trustee or other officer to meet expenditure incurred or to be incurred by them in any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by them as a Trustee or officer, provided that the Trustee or officer will be obliged to repay such amounts no later than:
- (1) in the event they are convicted in proceedings, the date when the conviction becomes final;
  - (2) in the event of judgment being given against them in proceedings, the date when the judgment becomes final; or
  - (3) in the event of the court refusing to grant them relief on any application under the Act, the date when refusal becomes final.

#### **WINDING-UP**

82. If upon the winding up or dissolution of the BHF there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members, but shall be given or transferred to some other charitable institution or institutions having Objects similar to the Objects of the BHF, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on the BHF under or by virtue of Article 5 hereof, such institution or institutions to be determined by the Members at or before the time of dissolution, and if and so far as effect cannot be given to the aforesaid provision then to some charitable object.

#### **DEFINITIONS AND INTERPRETATION**

83. In these Articles the following words and phrases have the following meanings:

<b><i>Word or phrase</i></b>	<b><i>Meaning</i></b>
"Articles"	these Articles of Association of the BHF and "Article" refers to a particular Article;
"BHF"	British Heart Foundation, the company regulated by these Articles;

"Board"	the board of Trustees of the BHF;
"Chair"	the chair of the Board, appointed in accordance with Article 40 (who, subject to clause 22, is also chair of any general meeting);
"Charities Act"	the Charities Acts 1992 to 2011;
"Clear Days"	in relation to the period of a notice, means the 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;
"Committee"	a committee of the Board constituted in accordance with Article 60;
"Companies Act"	the Companies Acts 1985 to 2006;
"Conflict of Interest"	any direct or indirect interest of a Trustee (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or may conflict with the interests of the BHF, because the Trustee or a Connected Person may receive a benefit from the BHF, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the BHF;
"Connected Person"	has the meaning set out in Article 5(6);
"Vice-Chair"	the vice-chair of the Trustees, appointed in accordance with Article 40;
"Electronic Means"	communications addressed to specified individuals by telephone, fax or email or, in relation to meetings, by telephone conference call or video conference;
"Medically Qualified"	a registered medical practitioner or research scientist who is actively involved in medical care or scientific research or whose career has been in medical care or scientific research;
"Member"	a company member of the BHF;
"Nominations Committee"	a committee constituted under Article 60 and delegated tasks, which include identifying and recommending suitable candidates for vacancies on the Board, whether or not called the "Nominations Committee" and if there is no such Committee for the time being, the Board;
"Objects"	the objects of the BHF set out in Article 3;
"Seal"	the common seal of the BHF;

"Secretary"	the company secretary of the BHF, or any other person appointed to perform the duties of the company secretary, including any temporary, assistant or acting Secretary;
"Signed"	a signature, including one on a fax and other forms of authentication that are permitted by law;
"Special Resolution"	a resolution agreed by a 75% majority of the Trustees (in their capacity as Members) present and voting at a general meeting, or, in the case of a written resolution, by Trustees (being Members) who together hold at least 75% of the voting rights;
"Trustee"	a director and charity trustee of the BHF; and
"United Kingdom"	Great Britain and Northern Ireland.

84. Unless the context requires otherwise, other words or expressions contained in the Articles have the same meaning as in the Companies Act.
85. Any reference in the Articles to an Act of Parliament includes a reference to that Act as re-enacted or amended from time to time and to any subordinate legislation made under it.
86. Throughout the Articles, "charitable" means charitable in accordance with the law of England, excluding any purpose which is not charitable in accordance with any statutory provision regarding the meaning of the word "charitable" or the words "charitable purposes" in force in any part of the United Kingdom. For the avoidance of doubt, the system of law governing the Articles is the law of England.