

The Companies Act 2006

Community Interest Company Limited by Guarantee

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**Articles of Association**  
**of**  
**Quaker Finance Trust CIC**

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(CIC Limited by Guarantee, Schedule 1, Small Membership)

**The Companies Act 2006**  
**Community Interest Company Limited by Guarantee**  
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**The Companies Act 2006**  
**Articles of Association**  
**of**  
**Quaker Finance Trust CIC**

**INTERPRETATION**

**1. Defined Terms**

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

**PREAMBLE**

**2. Preamble**

2.1 Our goal is a fairer world, where material gain is the servant of a better spiritual life for all.

2.2 We believe that a Quaker presence in the banking and finance sector will advance this end, by striving to act as a beacon for a better way of doing business for a better purpose and goal. To do so, and within its ethical code the Trust must exist in the interests of all affected by its work and undertakings. It must exist to create wealth for the communities in which it operates and by which it is sustained. It must not exist to create and distribute wealth to one section of its stakeholders only, for them to privatise. It must be answerable to all whom it affects, both internally as well as externally. Thus, its employees must be as empowered to dismiss the bosses as the bosses are to dismiss the employees.

2.3 The Trust must not come to see itself as a law unto its self alone, but must always strive to see itself as within the laws of God and the State. To this end, it will be guided by the beliefs, the approaches, principles and values sustained and evolved by Quakers, as seen in the writings of the Quakers & Business Group and the current edition of Quaker Faith & Practice of Britain Yearly Meeting of the Religious Society of Friends. To this end, the Trust will do all business in the spirit of simplicity, truth, equality, peace and social and environmental justice. It will act in and from love, answering to that of God in those it encounters.

2.4 Power and control will not be used as forces of coercion: always a discerning love and willing co-operation to attain the shared ends of the organisation and its purposes will guide the uses of authority. Trust members and others engaged in its affairs are urged to seek to act from the better side of human nature, and to arrange the Trust's affairs and processes so that they raise up the better side and reduce the worse, the jealous, fearful, selfish, greedy sides of our nature.

2.5 The Trust will seek adherence to the human sense of the loving creator of all in its activities and plans, and to the raising up of the spiritual sense in all hearts. To this end, it will encourage the rooting out of the seeds of conflict within our own hearts, and will seek to promote peaceful ways of conflict prevention, removal and amelioration. It will never assist in providing for or conducting war or the weapons of war or repression. Always it will seek to encourage the creation and nurturing of a political settlement meeting the civic needs of all. The Trust will never work with

those who dominate their communities by force or in coercive ways which belittle or harm the spirit. When it can and with others, it will in love seek to help such persons and bodies to change in love, from their hearts outward.

2.6 The Trust will seek always in its decisions and actions to prepare for the unborn, leaving them a better world to inherit and a better code through which to care for it.

2.7 It will encourage a treading lightly upon the creation, accepting a place *within* nature's cycles of use and re-use, and avoiding damage to or greedy abstraction from the Earth's systems, to the detriment of the balance of living things.

2.8 Generally, the Trust will encourage giving a voice to the voiceless, that both the disparities of wealth and power and the deserts of spiritual absence and despair, which lead to voicelessness, may be mitigated in our time, and humanity's condition may be moved further towards a sustainable, loving balance.

2.9 In its decisions, the Trust will accept that the fragile, imperfect nature of humanity ever needs love, attention and resource, and that showing genuine remorse and being able to act differently on receiving forgiveness, are also learned behaviours.

2.10 The Trust will never be for sale and its ownership will never be divisible into shares. It will be held in trust, to be always a radical and better alternative to the economic system of its times. In the early 21<sup>st</sup> Century, that means being better than those financial and other corporate institutions which over time concentrate income, wealth and power in the hands of the few, for their private enjoyment. This we hold inhibits the fuller flourishing of both the many and the few themselves. Instead, the Trust will be part of an institutional framework designed to bring about and sustain a more equal sharing of income, wealth and power.

2.11 We seek to bring into the business and finance world as directly as we can devise, the principle taught by all great religions, derived from humankind's deepest spiritual insights into themselves and existence beyond themselves, that to base the economic system on self interest alone or predominantly is contrary to the full flowering of our natures and humanity. To base our economic system on the needs of all, and on respect for the rest of creation, is to create a framework for the mutual health, love and betterment of all.

2.12 To these ends, the Trust will practice good ethical business and so strive to be an example which others may care to emulate or improve upon. It will be guided by the loving ethic proclaimed by the Religious Society of Friends that there is that of God in each person, and that by seeking to answer to it prudently and cheerfully we may help nurture it and so raise up the better side of human nature in those we encounter. The Trust will seek to make this ethic the foundation of its business approach at all times. Where we fall short, we will seek forgiveness and try again.

2.13 Thus, the Trust, working in the spirit of compassion will be slow to judge, clear in discernment and lovingly quick to respond as best it can in the moment of encounter. If this means turning business away until that business opportunity changes its ethical nature, we must be courageous and do so; if it means joining in building good and ethical business returns, we must share risks and rewards fairly in the united view of all affected.

2.14 The Trust will practice good business because goodness, of God, is good in its self. It may be good for business too, but that will never be the reason, contingently powerful and tempting though it may be, for doing business in a certain, seen-to-be-good way. Appearing overly good or proud of it is a sure route to downfall and loss of reputation. Keeping to a positive, loving regard for the other, and eschewing all realities and appearances of pride and a perceived holy self esteem, difficult though it may be when trying to live our principles, is our goal.

2.15 Gunnar John, Chairman of the Nobel Committee, giving the award to the Quakers for peace work, in 1947, said: "It is not in the extent of their work or its practical form that the Quakers have given most to the people they have met. It is in the spirit in which the work is performed." The Trust will seek to work to the standards of its forbears.

## **COMMUNITY INTEREST COMPANY AND ASSET LOCK**

### **3. Community Interest Company**

3.1 The Company is to be a community interest company.

### **4. Asset Lock**

4.1 The Company shall not transfer any of its assets other than for full consideration.

4.2 Provided the conditions in Article 4.3 are satisfied, Article 4.1 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.

4.3 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.

4.4 If:

4.4.1 the Company is wound up under the Insolvency Act 1986; and

4.4.2 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.

4.5 For the purposes of this Article 3, the following asset-locked body is specified as a potential recipient of the Company's assets under Articles 3.2 and 3.4:

Name: The Religious Society of Friends (Quakers) in Britain

Charity Registration Number: 1127633

Registered Office: Friends House, 173 Euston Road, London, NW1 2BJ

### **5. Not for profit**

5.1 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**

### **6. Objects**

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

- 5.1. establish a Quaker presence in the banking and finance world, and to spread Quaker business principles as an outreach contribution to the commercial world.
- 5.2. generate wealth for the Community it serves, and in so doing to strengthen a way of living in harmony with the testimonies of the Religious Society of Friends, so that all may be better off materially and spiritually. It will sustain its recognition by Britain Yearly Meeting of the Religious Society of Friends, and accept and act on such comment as the Society may draw to its attention.
- 5.3. The Trust's Community consists of those organisations and individuals who have a direct relationship with the Trust, and will benefit directly from its operations, both in financial and spiritual terms. They are the Religious Society of Friends in Britain including the Quakers & Business Group, all its employees, its depositors and borrowers, its other customers and suppliers, its State government and regulators, and the immediate and future social and environmental communities it is sustained by and serves.
- 5.4. In living its Objects, the Trust will always abide by Quaker principles. It will be a self governing community with a loving sense of the spiritual at its core.
- 5.5. The Objects are fully entrenched and may not be varied.

### **7. Powers**

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

### **8. Liability of members**

- 8.1. 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:
- 8.2. payment of the Company's debts and liabilities contracted before he or she ceases to be a member;
- 8.3. payment of the costs, charges and expenses of winding up; and
- 8.4. adjustment of the rights of the contributories among themselves.

## **DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **9. Directors' general authority**

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

#### **10. Members' reserve power**

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

10.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

#### **11. Clerk**

The Board will not have a Chairperson, but a Clerk, whose function is (as is normal in the Society of Friends) to discern the sense of the Board Meeting and write a Minute of the decision. The Board will at all times function using the Quaker business method.

#### **12. Directors may delegate**

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

12.1.1 to such person or committee;

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

12.1.3 to such an extent;

12.1.4 in relation to such matters or territories; and

12.1.5 on such terms and conditions;

as they think fit.

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

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

## **DECISION-MAKING BY DIRECTORS**

### **13. Directors to take decisions collectively**

Any decision of the Directors must be either a majority decision at a meeting as defined in Article 18, 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 need not be in Writing.

14.6 Notice of Directors' meetings may be sent by Electronic Means to an Address provided by the Director for the purpose.

### **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 may be fixed from time to time by a decision of the Directors, but it must never be less than one third of the Directors, and must always include representatives from all seven sub-communities.

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. Clerking of Directors' meetings**

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

## **18. Decision-making at meetings**

18.1 The Directors shall conduct their proceedings at meetings in accordance with the principles of the Religious Society of Friends and the provisions of the current edition of the book of Christian discipline of the Yearly Meeting of the Religious Society of Friends (Quakers) in Britain, and in particular with the following practice:-

1. Meetings of the Directors for the conduct of the Trust's business carry the expectation that God's guidance can be discerned if the Directors are truly listening together and to each other. The proceedings of the Directors may at the discretion of the Clerk be based on silence when he or she considers it appropriate. The unity that is sought depends on the willingness of all to seek the truth in each other's utterances. There is no voting in the meetings, because the Religious Society of Friends believes that this would emphasise the divisions between differing views and inhibit the process of seeking to know the right way forward, which is the will of God as expressed in the sense of the meeting.
2. The Clerk of the meeting bears the final responsibility for preparing the business, conducting the meeting and drafting the minutes of the meeting. Minutes are drafted by the Clerk during the course of the meeting, but the final decision about whether the minute represents the sense of the meeting is the responsibility of the meeting itself, not of the Clerk. The Directors may appoint an assistant Clerk.

18.2 Questions arising at a Directors' meeting shall be decided by the Quaker business method, as set out in clauses 18.1 and 37.3. This results in Unity ('unanimity') but to comply with statutory requirements will be recorded as a decision by a majority of votes.

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

## **19. Decisions without a meeting**

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

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;

19.2.4 the Recipient must prepare a minute of the decision in accordance with Article 43.

## **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:

21.1.1 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 20.3;

21.1.2 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;

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

21.2 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.

21.3 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 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 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 by a decision of the Directors.

23.3 The Quaker Finance Trust is held in trust by its Directors, who as its trustees are accountable both to its Communities via their membership of the Company, and to the Trust's Objects as defined in this Governing Document. They are therefore Director-Trustees and will be non-executive. However, they will be referred to in this document as Directors.

23.4 The Directors will be selected by the seven categories of community which the Trust serves, as set out in article 27.7. Their role is to serve the Trust and its

communities as a whole and not to preferentially represent one community above others.

23.5 The Directors will be recommended for appointment and recommended for dismissal or retirement by a panel set up by the members of their category of the Community, in accordance with article 31.1 of the Trust's governance process. The existing Directors will ratify the appointment of new Directors by a Board Minute. The existing Directors have no power to over-rule the decision of the category's panel unless the existing Directors, mindful of their position as trustees of the Objects of the Trust, unanimously agree otherwise, and publish their reasons in the public domain. A Director must also be a member, and the £1 guarantee must be paid before the appointment can be ratified.

23.6 The Directors exist to guard the Objects and Founding Document of the Trust. They may not act to subvert the objectives of their role. Attempting to do so or actually doing so, as minuted in a Board Minute by a consensus of the other Directors, will automatically result in their immediate dismissal.

23.7 The function of the Board of Directors is to set policy. The function of the Executive is to implement the Board's policies.

23.8 The Board will not have a Chairperson, but a Clerk, whose function is (as is normal in the Society of Friends) to discern the sense of the Board Meeting and write a Minute of the decision. The Board will at all times function using the Quaker business method.

23.9 The Directors will serve for two four year terms, which may be extended up to a maximum of three four year terms in exceptional circumstances.

23.10 The Directors will be expected, unless prevented, to attend Board meetings once per month and more often in case of need.

23.11 If in the opinion of the Quakers and Business Group, confirmed by its Minute, matters at the Trust reach dangerous levels of instability, the Religious Society of Friends and the Quakers & Business Group will provide Directors with external inspection and guidance, which the existing Directors will follow in restoring stability.

23.12 The Director-Trusteeship principles and practices in this article 23 are fully entrenched and may not be altered.

## **24. Termination of Director's appointment**

A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006, or is prohibited from being a Director by law;
- (b) a Bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of Bankruptcy;

- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) the Directors reasonably believe he or she is suffering from mental disorder and incapable of acting and they resolve that he or she be removed from office;
- (e) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms (but only if at least two Directors will remain in office when such resignation has taken effect); or
- (f) the Director fails to attend three consecutive meetings of the Directors and the Directors resolve that the Director be removed for this reason.
- (g) the Director ceases to be a member.

## **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 The Directors will be paid an annual fee for attendance, but their annual total remuneration from the Trust may not exceed four times the rate of pay per year of the lowest paid employee. (Payment of a daily rate contravenes the Trust's remuneration policy which excludes piecework type payments)

## **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.

## MEMBERS

### 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 Each member of the company shall be a Director.

27.4 No person shall be admitted a member of the Company unless he or she is approved by the Directors.

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.

27.6 The Quaker Finance Trust's ownership is not divisible, cannot be sold and is not a tradeable asset.

27.7 The Quaker Finance Trust is a Community Interest Company limited by Guarantee, whose ownership is vested in its Community members, comprising seven sub-communities, which are:

- i. the Religious Society of Friends in Britain (one representative member)
- ii. the Quakers & Business Group (two representative members)
- iii. the Executive Committee (two representative members)
- iv. the employees, excluding the Executive Committee (three representative members)
- v. the depositors (two representative members)
- vi. the borrowers (two representative members)
- vii. the other customers and the other suppliers (two representative members)

27.8 Each member will be individually named by a minute of the Board of Directors, and the category (i. to vii.) in which they fall, as they join and become members of the Company (paying their guarantee of £1), and they will be removed by a Board Minute from the being members of the Company as they cease to be within the Community, when their guarantee of £1 will be returned to them.

27.9 The first and founding members, who will also be the first and founding Directors, will consist of John Lovatt, Paul Gibson, Timothy Phillips and Carlo Resta, whose identity is set out in the Memorandum. They represent category ii, and as and when members join from other categories, they will retire by decision of Quakers and Business Group, until only two remain.

27.10 As new potential members arise as a result of their qualification for one of the categories, the existing Directors will ratify their appointment as members by a Board Minute. No potential member can be excluded unless the Directors, mindful of their position as trustees of the Objects of the Trust, unanimously agree otherwise, and publish their reasons in the public domain.

27.11 All employees will become members of the sub-community of employees after satisfactorily serving a probationary employment period, and be entitled to join in the process of selecting their three representatives on the Board. If at the end of this probationary period, an employee is not deemed by the General Manager to be ready or suitable to become a member of the sub-community, they will cease to be an employee.

Any employee whose conduct conflicts repeatedly with the purposes, values and principles of the Trust, and after due time for demonstrating change from their heart outwards, still does not seem to be in harmony with the Trust's standards, will have their membership of the sub-community of employees withdrawn and will be asked to leave the sub-community, or will be dismissed. This Article applies equally to all employees, however senior or junior.

## **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; or

28.2.3 a member ceases to be a Director.

## **DECISION MAKING BY MEMBERS**

## **29. Members' meetings**

29.1 The Directors may call a general meeting at any time.

29.2 General meetings must be held in accordance with the provisions regarding such meetings in the Companies Acts.

29.3 A person who is not a member of the Company shall not have any right to vote at a general meeting of the Company; but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures.

29.4 Article 29.3 shall not prevent a person who is a proxy for a member or a duly authorised representative of a member from voting at a general meeting of the Company.

## **30. Written resolutions**

30.1 Subject to Article 30.3, a written resolution of the Company passed in accordance with this Article 30 shall have effect as if passed by the Company in general meeting:

30.1.1 A written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible members.

30.1.2 A written resolution is passed as a special resolution if it is passed by members representing not less than 75% of the total voting rights of eligible members. A written resolution is not a special resolution unless it states that it was proposed as a special resolution.

30.2 In relation to a resolution proposed as a written resolution of the Company the eligible members are the members who would have been entitled to vote on the resolution on the circulation date of the resolution.

30.3 A members' resolution under the Companies Acts removing a Director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.

30.4 A copy of the written resolution must be sent to every member together with a statement informing the member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written notices shall be sent to the Company's auditors in accordance with the Companies Acts.

30.5 A member signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated Document identifying the resolution to which it relates and indicating his or her agreement to the resolution.

30.5.1 If the Document is sent to the Company in Hard Copy Form, it is authenticated if it bears the member's signature.

30.5.2 If the Document is sent to the Company by Electronic Means, it is authenticated if the identity of the member is confirmed in a manner agreed by the Directors.

30.6 A written resolution is passed when the required majority of eligible members have signified their agreement to it.

30.7 A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date.

## **GOVERNANCE AND DAILY BUSINESS POLICIES**

### **31. Governance**

31.1 The Trust's core governance principle is entrenched and is unchangeable. It is: Power will be always answerable to those over whom it is exercised. This will be accomplished via loops of accountability and transparency. For example: Executives may be dismissed by employees, and employees dismissed by Executives. The whole Community, including the Religious Society of Friends, employees, depositors and borrowers, suppliers and customers, will be part of the Trust's decision making criteria and processes.

31.2 As the Trust grows, a separation of powers will be established, with the Board of Directors separated from the Executive. When necessary an internal Members Assembly will be created to represent employee members. Its primary operational role will be to hold the Executive to account in its business decisions. In all matters however the Trustee Directors Board is the senior body. Rules and Powers for the Executive Committee and for the Members Assembly will be established by the Trustee Directors, to underpin the Trust's accountability, openness and business probity.

31.3 The Director-Trustee Board will, using the Quaker business method as set out in article 18.1 and article 37.3, appoint a General Manager who will be ultimately responsible to the Board for carrying out the Board's policies. Although not necessarily a Member of the Society of Friends, the General Manager must be selected as someone who understands and is in deep sympathy with the Testimonies of the Society of Friends. The General Manager should be selected for charisma to inspire others as well as ability. The Board may at any time require the General Manager to account to them for decisions made which appear to any Board member to be contrary to the Testimonies, and to dismiss the General Manager, subject to lawful and just procedure.

31.4 The General Manager should be mindful of the Testimony of Equality as outlined in particular in the Quakers and Business Group's Business Principles, and although decisive must not behave imperiously, must seek consensus as far as practicable and be transparent in the decision-making process to those affected by the General Manager's decisions.

31.5 The General Manager is responsible for the appointment of the Executive Committee, and for deciding what officers will comprise the Executive Committee. The General Manager will submit to the Board of Director-Trustees, with full transparent documentation and explanation, the proposed structure of the Executive Committee and any proposed changes to it, and names of any proposed Executives for approval by the Board.

31.6 The Board will, using the Quaker business method, examine carefully the General Manager's proposals and reach unity, both among themselves and with the General Manager.

31.7 A joint meeting will be held once a year of the Director-Trustees, the Executive Committee, and the Ethics, Technical and Financial Auditors (see below) to review Trust strategy, policy and progress. The joint meeting will approve a Code of Practice & Operating Values for the Trust, which must be in full harmony with this constitutional founding document, and monitor its effectiveness.

31.8 The Governance practices above, apart from Article 31.1, may be altered, but must meet standards no less exacting than those indicated, if changed times so require for the Trust's continuance.

## **32. Deposit and lending policy**

32.1 The Trust's business model initially will be to create wealth by acting as intermediaries by rating and introducing borrowers and lenders who share our principles, and subsequently will create wealth by receiving deposits and making repayable loans, which help the flourishing of businesses and individuals. Subsequently, it may take on personal and business banking services.

32.2 Initially, it will work with and via other banking and financial organisations to deliver its services. It will only work with such organisations if their ethics and practices are in sympathy with Quaker Business Principles, as provided by the Quakers & Business Group.

32.3 Business to promote unethical activities including: war, gambling, harmful drugs, alcohol, tobacco and the like, which distort the human spirit and physical wellbeing will not be undertaken. Where possible, alternative routes to good, ethical business will be suggested to such proposers.

32.4 Business which promotes creative and socially useful employment, human health, wellbeing, community benefit and spiritual growth will be undertaken.

32.5 Banking and financial services which people need and at prices they can afford will be undertaken.

32.6 Business tempting people to take on debt for inessentials (e.g. expensive holidays or ostentatious possessions) will not be proposed or accepted. Instead, more prudent, socially useful, equitable opportunities will be suggested, wherever possible.

32.7 Efforts to educate all in the ways of sound ethical banking, finance, accounting and business will be undertaken

32.8 The Trust will not charge interest on its loans, but will charge a percentage of the profits of the project for which the loan was made. This percentage will be based on the risk as perceived by the Trust, and can be reduced or increased as the risk is perceived to change. The borrowers will be required to engage independent auditors acceptable to the Trust to calculate the effective profit of the project. The risk to the borrower will be minimised at all times.

32.9 Fees will also be charged, but only for specific services provided by the Trust, and will be based on the cost of providing the service, including a proportionate contribution to the Trust's surplus, not on what the market will stand.

32.10 To fulfil its outreach purpose, the Trust will as a condition of lending or borrowing provide a document setting out the business principles to which the borrower or lender must conform. These will be based on the Quaker and Business Group's Statement of Business Principles, and will be tailored to the circumstances of the borrower or lender. The document will list penalties for failure to comply, such as fees (fines), increase of profits percentage, or return of some or all funds (to a depositor). All loans will have known amounts, payback dates, terms and known means of repayment.

32.11 The Outreach policy of the Trust precludes making a distinction between social and commercial investment. However, in accordance with the testimonies, the

Trust is permitted to take higher risk with projects it perceives as of high social, environmental or ethical benefit, and by contrast is urged to take lower risk with projects which are of less benefit to communities. Those that impose definite risks, such as manufacturing weapons of war, are precluded for ethical and commercial reasons.

32.12 As part of the Outreach and to fulfill the Trust's transparency requirements, the loan document for each project, and the contracts with depositors, will be clearly published in the public domain, including the Trust's website, such that all other depositors and borrowers and the general public can easily see the information.

32.13 The Trust will not oppress those to whom it lends. The vengeful, corrosive power of in effect permanently-resident debt in an individual or organisation's affairs is recognised and will not be practised. It will never force a borrower into Bankruptcy (although it may try to recover its losses where others have forced Bankruptcy). It will not require as security any assets except those purchased by the loan. It will not impose on borrowers at borrower's expense any extra devices to reduce the Trust's risk, such as key man insurance, business investigation teams, excessive daily reporting. In case of difficulty in meeting the targets for repayment, the Trust should offer assistance to the borrower at the Trust's expense, for example from business advisers or seconded executives, always respecting the borrower as an equal.

32.14 Transparency: To sustain ownership clarity in all dealings, the Trust will not use or deal with organisations using nominee directors, nominee accounts, or other ways concealing the identity of ultimate owners. Where organisations use such devices, we will only work with them if the full ownership trail is made public to us and to Tax Authorities.

32.15 The Trust will perform due diligence on its depositors, not only to ensure compliance with the law, but also to ensure that the funds to be invested have been acquired ethically, for example not *via* employing child labour, unacceptable health and safety practices, or manufacturing weapons of war. It will decline to invest such funds. Instead, it will lovingly encourage, and, insofar as it can, will assist the potential investor to use their funds to repair the damage caused by their generation.

32.16 Full details of where it or its depositors place their investments will be published.

32.17 Lending will be based on deposits taken in from customers, and never upon further borrowings from other markets.

32.18 The performance and state of repayments, including defaults of small and medium-sized companies lent to, will be published in full detail.

32.19 Fractional reserve policy: On reaching full bank status, the Trust will retain at least 50% of their customers' deposits as readily available reserves from which to satisfy demands for payment.

32.20 The deposit and lending policy may need rewording or adding to, to meet the needs of changed times. Rewordings or additions must match or exceed the ethical standards and practices indicated here.

### **33. Finance**

33.1 The Trust will raise its core capital from gift and social purpose capital, where necessary from loan capital with fixed repayment terms, from governmental investment, and from retained surpluses.

33.2 It will not provide any ownership of itself as a surety for a loan.

33.3 It will always differentiate in its reports between its own capital, its loan book and its depositors' money held in its client accounts.

33.4 It will distribute its surplus to the Community it serves, after providing adequately for reserves, by means of the Trust's Charitable Foundation (for its Purpose, see article 47.1).

### **34. Taxation**

34.1 Tax will be paid in the jurisdiction where the economic transaction occurs. Tax avoidance will not be practised and statements to this effect will be made in our annual report and accounts. Also, Cumulative Tax Paid will be declared by tax type and jurisdiction in each year's annual accounts as a table in the Notes to the Accounts. We will encourage all our customers to practice the same level of accountability and will ultimately decline their business if they cannot be open about their tax practices.

### **35. Audit**

35.1 The Board will appoint external independent Ethics Auditors, who will review the Trust's performance of its ethical policies. It will report to the annual joint session of the Trustee Board and Executive Committee. If they are not satisfied, they may qualify their report.

35.2 The Board will appoint external independent Technical Auditors, who will review the Trust's technical performance in terms of risk reduction, technical efficiency and control, deposits protection, customer service and transparency. It will report to the annual joint session of the Trustee Board and Executive Committee. If they are not satisfied, they may qualify their report.

35.3 The Board will appoint external independent Financial Auditors, as required by Statute. They will report to the annual joint session of the Trustee Board and Executive Committee, and to Government as required by Statute. The Financial Auditors must qualify their report if the ethical or technical reports are qualified.

### **36. Remuneration Policy**

36.1 The General Manager is ultimately responsible to the Board for the implementation of the Trust's remuneration policy, this responsibility normally being shared with other Executives.

36.2 No bonuses, company cars, pension contributions, health or other insurance, or any other benefits beyond a basic salary may be provided by the Trust to any employee or Director, except as required by law. Instead, remuneration will be calculated based on the freedom of the employee to decide which benefits they prioritise for their own life. In the case of those needing as part of their job to travel

for the Trust, out-of pocket expenses, approved by those to whom they are responsible, in accordance with the Testimony of Simplicity, will be paid. The distances to be travelled, and the fatigue of the employee, will be considered.

36.3 To avoid exploitation of employees by the Trust using its ethical character to reduce pay, remuneration will be equivalent to the same job in the same industry and location, after adjusting for no 'perks'.

36.4 In no case, except by special dispensation from the Board, may the highest paid employee be paid more than seven times the lowest paid.

36.5 Any form of piecework, or payment by results is dehumanising, encourages greed and challenges good ethics, and is not permitted. The Trust's employees are valued for who they are, not their output, and the Trust encourages them to work for the Community, not their personal enrichment.

36.6 The salary of every employee, including Executives and Directors, will be clearly published in the public domain, including the Trust's website, such that all other employees and the general public can easily see the information.

36.7 The pay of the highest paid in the Trust will be set by the same review body as the pay of all other employees. Pay decisions on pay bands and for the highest and lowest paid, and on the pay gradient between the two ends of the Trust's pay range must be approved by employee representational bodies, and will be published in prominent places on the Trust's website and the public domain.

36.8 Articles 36.1 to 36.7 are all fully entrenched and may not be altered.

### **37. Engaging (Setting the Culture for employees and all other communities)**

37.1 Time will be provided each day in the Trust for shared prayer after the Quaker manner. Time will also be made available in our business processes and working days for silent worship and spiritual refectation. Meetings will start and end with a silent, focusing coming together to sense the shared goal to be sought, or to give thanks for that which has been achieved. This practice also helps control the intrusive effects of the other pressing busynesses of the day.

37.2 The Trust will use the Quaker business method in all its dealings, internal and external. The Quakers & Business Group's Statement of Business Principles is part of the Trust's daily business policy at all times.

37.3 The Quaker business method will be our process. It includes:

- we seek unity in discerning the right way forward; that way is the way of God, our loving Creator of all, not of any individual or group's view or opinion;
- when entering the room to discern and decide, we put our preferences and selfish desires down and in their place seek with others, peaceably, what is right for the issue confronting the group;
- we minute our decisions at the time, openly, with the group supporting its Clerk in loving silence for as long as it takes the Minute to be written clearly;

- we receive each others' contribution and consider it in prayerful silence, upholding the speaker in our hearts, that their words may be well chosen and brief;
- we do not repeat points already made by others;
- we do not vote, but work lovingly together focused on the good outcome for the issue and those affected, listening in love until the way forward is clear and all are in unity;
- if unity does not emerge, we stay with the issue whilst we can, or acknowledge we must return to it again;
- we practice our testimonies of a loving regard for all, in simplicity, truth, equality and peace, including those we may find troubling;
- we know openness and plain speaking are essential to love and to truth and to effective business, and we also know that plain speech may hurt, so we take care for others in using it;
- we know that we may see the truth only in part, and that being imperfect we may fail; where we do, we will apologise and declare a plan for doing better.

37.4 The overall Trust's and local business unit's performance will be communicated and discussed openly with employees and with each relevant community, to ensure their full engagement in the Trust's work and success in delivering its Purpose.

37.5 A co-operative management and employee style will be used, based on love and not secretive manipulation, fear or other forms of coercive influencing.

37.6 All pay rates will be openly known internally, and may be discussed responsibly.

37.7 Internal democracy will be blended responsibly with the need for decisions to be taken effectively. All will benefit from working for a winning team.

37.8 If disputes cannot be resolved by the pursuit of unity internally, an external ombudsman will be sought via the Religious Society of Friends and Q&B, and appointed with the approval of the governance bodies, whose consent is also required for the ombudsman's removal.

37.9 Engagement practices may be altered, but must meet standards no less exacting than those indicated, if changed times so require for the Trust's continuance.

## **38. Accountability**

38.1 The Trustees and all employees will be accountable for the delivery in practice of the Trust's Purpose via the ways prescribed in this Constitution.

38.2 Open meetings will be held periodically as decided by the Directors to discuss the Trust's affairs. All affected communities will be able to attend.

38.3 Active communication channels will be maintained across and within all communities affected by the Trust's work.

38.4 Accountability practices, apart from 38.1 above may be altered, but must meet standards no less exacting than those indicated, if changed times so require for the Trust's continuance.

### **39. Ethics**

39.1 Truth and integrity, Simplicity and environmental concern, Transparency and openness, Equality and justice, Peace and accountability will characterise the Trust's processes and business dealings.

39.2 It will sustain its recognition by Britain Yearly Meeting of the Religious Society of Friends, and accept and act on such comment as the Society may draw to its attention.

39.3 It will work in harmony with the Quakers & Business Group (Q&B) in furthering the Group's Objects of promoting Quaker principles in business and the workplace.

39.4 It will strive for an empathetic understanding and a loving sense of the spiritual in all it does, applying Q&B's Statement of Quaker Business Principles.

39.5 It will not tolerate abuse of its ethics in any of its communities, and always will seek unity in the resolution of difficulties amicably. In the last resort resolution will be by severing the relationship.

39.6 It will pay its bills on time and will expect all others to do the same.

39.7 It will always seek to resolve disputes from the position of love and understanding, not from any sense of critical vengeance.

39.8 It will always negotiate from position of an equivalence of power and will not abuse any monopoly or near monopoly position it may hold. We know that unequal power positions in negotiations distort fairness of outcomes and can corrupt or disfigure the power wielder as much as the lesser powered. We will not use such tactics or practices.

39.9 We too are human and imperfect. We may fail to keep to our principles and policies. When we fall short, we will learn, and will make amends as fully as we can then or over time. We will seek to do better in future. Repeated failures will be examined by our external ethical mentors in RSoF and Q&B.

39.10 Article 39 is fully entrenched and may not be altered.

### **40. Spiritual Health**

40.1 God's purposes are sensed by humanity in part only: we know we do not know the whole. In our work in the Trust we will be guided by the Christian, and other, sense of being the creations with free will of the loving Creator of all things.

So far as we have the material resources and can spiritually discern, we will work to further God's loving purposes for us each and all. In so doing, the Testimonies of the Religious Society of Friends in Britain will be our guide, undergirded by the two great commandments of Jesus Christ.

40.2 The Trustees and all involved will at all times seek to promote the spiritual health and the happiness of all the Trust's communities in both its business and its charitable dealings.

40.3 From time to time an examination of the Trust's spiritual health will be conducted, and the findings acted upon.

40.4 Abuse of others will not be tolerated and love based rather than destructive settlements of frictions will be sought. A loving sense of the spiritual, of the eternal beyond ourselves yet sensible by each person, will be the source and goal of our spiritual health.

40.5 Ultimately if unity cannot be reached, and the whole is at risk, those disunited will leave. Such an outcome must be delayed for a long time, while unity is sought in love.

40.6 Article 40 is fully entrenched and may not be altered.

## **ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS**

### **41. Means of communication to be used**

41.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

41.2 Subject to the Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or Documents for the time being.

41.3 A Director may agree with the Company that notices or Documents sent to that Director in a particular way are to be deemed to have been received within an agreed time of their being sent, and for the agreed time to be less than 48 hours.

### **42. Irregularities**

The proceedings at any meeting or on the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not referred to in the notice unless a provision of the Companies Acts specifies that such informality, irregularity or want of qualification shall invalidate it.

### **43. Minutes**

43.1 The Directors must cause minutes to be made in books kept for the purpose:

43.1.1 of all appointments of officers made by the Directors;

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

43.1.3 of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, including the names of the Directors present at each such meeting;

and any such minute, if purported to be signed (or in the case of minutes of Directors' meetings signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any member or Director of the Company, be sufficient evidence of the proceedings.

43.2 The minutes must be kept for at least ten years from the date of the meeting, resolution or decision.

#### **44. Records and accounts**

The Directors shall comply with the requirements of the Companies Acts as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Regulator of:

44.1 annual reports;

44.2 annual returns; and

44.3 annual statements of account.

#### **45. Indemnity**

45.1 Subject to Article 45.2, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:

(a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

(b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006); and

(c) any other liability incurred by that Director as an officer of the Company or an associated company.

45.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

45.3 In this Article:

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

- (b) a “relevant Director” means any Director or former Director of the Company or an associated company.

#### **46. Insurance**

46.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.

46.2 In this Article:

- (a) a “relevant Director” means any Director or former Director of the Company or an associated company;
- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

#### **47. Charitable Foundation**

47.1 The purpose of the Charitable Foundation is to fulfill the statutory requirement for the surplus to benefit the Trust’s Community.

47.2 The Quaker Finance Trust Charitable Foundation shall be a subsidiary of and accountable to the Quaker Finance Trust Board of Trustee-Directors. The Quaker Finance Trust Charitable Foundation’s own governance arrangements shall be modelled on those used by the Religious Society of Friends in Britain.

47.3 Each year, after due audits and submission of accounts, the Board will invite each of its seven communities to submit proposals for benefitting their community, especially considering any social, ethical and spiritual needs within their community. The Board will also consider means of promoting its ideals and purposes by promoting the replication of its own business and legal form across the business world. It will then allocate the designated surplus by means of a Board Minute, and transfer the funds to its Charitable Foundation.

#### **48. Exclusion of model articles**

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

**SCHEDULE**  
**INTERPRETATION**

**Defined terms**

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

<b>Term</b>	<b>Meaning</b>
1.1 <b>“Address”</b>	includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;
1.2 <b>“Articles”</b>	the Company’s articles of association;
1.3 <b>“asset-locked body”</b>	means (i) a community interest company, a charity or a Permitted Industrial and Provident Society; or (ii) a body established outside the United Kingdom that is equivalent to any of those;
1.4 <b>“Bankruptcy”</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of Bankruptcy;
1.5 <b>“Borrowers”</b>	Individuals or corporate bodies borrowing funds according to the Trust’s arrangements for the time being from the Depositors.
1.6 <b>“BYM”</b>	Britain Yearly Meeting: The Yearly Meeting of the Religious Society of Friends (Quakers) in Britain;
1.7 <b>“Chair”</b>	has the meaning given in Article 10;
1.8 <b>“Circulation Date”</b>	in relation to a written resolution, has the meaning given to it in the Companies Acts;
1.9 <b>“Clear Days”</b>	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;
1.10 <b>“community”</b>	is to be construed in accordance with accordance with Section 35(5) of the Company’s (Audit Investigations and Community Enterprise) Act 2004;
1.11 <b>“Companies Acts”</b>	means the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company;
1.12 <b>“Company”</b>	Quaker Finance Trust CIC;

1.13	<b>“Conflict of Interest”</b>	any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or might conflict with the interests of the Company;
1.14	<b>“Customers”</b>	Individuals or corporate bodies who buy goods and services from the Trust;
1.15	<b>“Depositors”</b>	Individuals or corporate bodies depositing funds according to the Trust’s arrangements for the time being in the Borrowers’ businesses;
1.16	<b>“Director”</b>	a director of the Company, and includes any person occupying the position of director, by whatever name called;
1.17	<b>“Document”</b>	includes, unless otherwise indicated, any document sent or supplied in Electronic Form;
1.18	<b>“Electronic Form” and “Electronic Means”</b>	have the meanings respectively given to them in Section 1168 of the Companies Act 2006;
1.19	<b>“Executive Committee”</b>	Executives as appointed by the General Manager in accordance with Article 37.1;
1.20	<b>“Hard Copy Form”</b>	has the meaning given to it in the Companies Act 2006;
1.21	<b>“Memorandum”</b>	the Company’s memorandum of association;
1.22	<b>“participate”</b>	in relation to a Directors’ meeting, has the meaning given in Article 15;
1.23	<b>“Permitted Industrial and Provident Society”</b>	an industrial and provident society which has a restriction on the use of its assets in accordance with Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006;
1.24	<b>“Quakers and Business”; “Q&amp;B”</b>	Quakers and Business Group, a listed informal group within BYM, registered charity no. 109197;
1.25	<b>“Quakers and Business Business Principles”</b>	The Business Principles adopted and published by Quakers and Business, for example on their website qandb.org;
1.26	<b>“Quaker Business Method”</b>	The method of reaching decisions as set out in Quaker Faith & Practice Chapter 3, and in particular in Articles 18.1 and 37.3.
1.27	<b>“Quaker Faith &amp; Practice”</b>	The book of Christian discipline of the Yearly Meeting of the Religious Society of Friends (Quakers) in Britain

1.28	<b>“Religious Society of Friends in Britain”; “RSoF”</b>	The Yearly Meeting of the Religious Society of Friends (Quakers) in Britain;
1.29	<b>“the Regulator”</b>	means the Regulator of Community Interest Companies;
1.30	<b>“Secretary”</b>	the secretary of the Company (if any);
1.31	<b>“specified”</b>	means specified in the memorandum or articles of association of the Company for the purposes of this paragraph;
1.32	<b>“subsidiary”</b>	has the meaning given in section 1159 of the Companies Act 2006;
1.33	<b>“suppliers”</b>	Individuals or corporate bodies who sell goods and services to the Trust;
1.34	<b>“transfer”</b>	includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property; and
1.35	<b>“Writing”</b>	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.

2. **Subject to clause 3** of this Schedule, any reference in the Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.
3. Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Acts as in force on the date when these Articles become binding on the Company.