

South Atlantic Media Services Ltd (SAMS)

Articles of Incorporation

Preface

This document details the Articles of Incorporation of the South Atlantic Media Services Ltd (SAMS)

Executive summary

The following articles set out the *modus operandi* of the Company. It is a company, limited by guarantee, which is wholly owned by its members who are all members of the Voluntary Sector/Community of St Helena. The Company is therefore a community owned company. The Board of Directors are nominated by sub-sector bodies of the same Voluntary Sector thus ensuring that the company is also community managed. The Company' Chief Executive Officer (CEO) will be the only Executive Director. In addition there are three independent "at large" Directors who are elected by the Board of Directors who are to be regarded as representative of the wider community.

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PART 1 - PRELIMINARY

1. The name of the company is the South Atlantic Media Services Ltd (SAMS).
2. Its Registered Office shall be at The Media Centre, Castle Gardens, Jamestown.
3. The objective of the company is to carry on the businesses of broadcaster and newspaper publisher, and such other activities as the directors consider can conveniently be carried on in association with those activities.
4. The liability of each Member Organisation is limited to £1, being the amount that each Member Organisation undertakes to contribute to the assets of the company in the event of its being wound up while it is a member, or within one year after it ceases to be a member, for-
 - a. payment of the company's debts and liabilities contracted before it ceases to be a member,
 - b. payment of the costs, charges and expenses of winding up, and
 - c. adjustment of the rights of the contributories among themselves.
5. The company may not issue shares.
6. Schedule A has effect for the purpose of defining words and expressions used in these articles.

PART 2 - MEMBER ORGANISATIONS & THEIR MEETINGS

BECOMING AND CEASING TO BE A MEMBER ORGANISATION

7. Applications for membership

- (1) Membership of the Company is open only to bodies of persons (whether incorporated or not), which, in the opinion of the directors, represent a significant permanent sector of local, non governmental civil society in St. Helena; no natural person may be a member.
- (2) No body of persons shall become a member of the company unless-
 - a. that body of persons has completed an application for membership in a form approved by the directors, and
 - b. the directors have approved the application.
- (3) Each Member Organisation nominates a natural person (referred to as a "Member Organisation Representative", to represent it at general meetings and to receive correspondence from the company.

8. Termination of membership

- (1) A Member Organisation may withdraw from membership of the Company by giving seven days' notice to the Company in writing.
- (2) Membership is not transferable.
- (3) A Member Organisation's membership terminates if the body of persons ceases to exist.

ORGANISATION OF GENERAL MEETINGS

9. Calling of Annual General Meetings and General Meetings

- (1) Subject to the provisions of the Companies Ordinance 2004, the Annual General Meeting shall be held at such time within the period of six months beginning with the day following its accounting reference date (normally the end of the financial year) and place in the Island of St Helena as the Directors may determine.
- (2) The Directors may call a General Meeting, other than the Annual General Meeting, whenever they think fit, and such General Meetings shall also be convened on such requisition by a Member Organisation, in accord with the Companies Ordinance 2004.

10. Attendance and speaking at general meetings

- (1) Anyone who is a member of a Member Organisation is able to exercise the right to attend and speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- (2) Company directors are entitled to attend and speak at General Meetings but not to vote (unless they are also a Member Organisation Representative).
- (3) A Member Organisation Representative is able to exercise the right to vote at a general meeting when-
 - a. that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - b. that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (4) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak and/or vote at it.
- (5) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- (6) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and/or vote at that meeting, they are (or would be) able to exercise them.

11. Quorum for general meetings

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. A quorum is present if Member Organisation Representatives of at least one third of the Member Organisations are present.

12. Chairing general meetings

- (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start-
 - a. the directors present, or
 - b. if no directors are present, the Member Organisation Representatives present, must appoint a Member Organisation Representative to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- (3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

13. Attendance and speaking by people other than Directors, Member Organisation Representatives and Members of Member Organisations.

- (1) Persons other than those listed in the above heading will not be able to attend a General Meeting except where the Chairman of the Board of Directors has invited that person where his presence is essential in the conducting of the business of the meeting (e.g Company Auditor).

14. Adjournment

- (1) If the Member Organisation Representatives attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if-
 - a. the Member Organisation Representatives consent to an adjournment, or
 - b. it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the Member Organisation Representatives.
- (4) When adjourning a general meeting, the chairman of the meeting must-
 - a. either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - b. have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)-
 - a. to the same persons to whom notice of the company's general meetings is required to be given, and
 - b. containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

15. Voting: general

A resolution put to the vote of a general meeting must be decided on a show of hands by the Member Organisation Representatives unless a poll is duly demanded in accordance with the articles.

16. Errors and disputes

- (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the chairman of the meeting whose decision is final.

17. Poll votes

- (1) A poll on a resolution may be demanded-
 - a. in advance of the general meeting where it is to be put to the vote, or

- b. at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by-

- a. the chairman of the meeting;
- b. a director
- c. two or more persons having the right to vote on the resolution

(3) A demand for a poll may be withdrawn if-

- a. the poll has not yet been taken, and
- b. the chairman of the meeting consents to the withdrawal.

(4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

18. Amendments to resolutions

(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if-

- a. notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may allow in exceptional circumstances), and
- b. the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.

(2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if-

- a. the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- b. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

PART 3 - DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

19. 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.

20. Members' reserve power

- (1) The Member Organisation Representatives may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- (2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

21. Directors may delegate

- (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles-
 - a. to such person or committee;
 - b. by such means (including by power of attorney);
 - c. to such an extent;
 - d. in relation to such matters or territories; and
 - e. on such terms and conditions;as they think fit.
- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

DECISION-MAKING BY DIRECTORS

22. Directors to take decisions collectively

The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 23(2).

23. Majority decisions of directors

- (1) Decisions of the directors are taken in accordance with this article when a majority of eligible directors indicate to each other at a meeting of the board of directors that they share a common view on a matter. Such decisions will be recorded in the approved minutes of the board of directors meetings.
- (2) Decisions of the directors are also taken in accordance with this article if a majority decision of eligible directors is taken outwith a board of directors meeting. This decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

24. Calling a directors' meeting

- (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of any directors' meeting must indicate--
 - a. its proposed date and time;
 - b. where it is to take place; and
 - c. 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.
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing.

25. Participation in directors' meetings

- (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when-
 - a. the meeting has been called and takes place in accordance with the articles, and
 - b. they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (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 providing that the quality of the communications are adequate.
- (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 are.

26. Quorum for directors' meetings

- (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings shall be three, or such larger number as the directors may from time to time determine.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision to appoint further directors.

27. Chairing of directors' meetings

- (1) The directors may appoint a non executive director to chair their meetings.
- (2) The tenure of the chairmanship shall be for a period of one year but can be re-elected on expiry of the term.
- (3) The person so appointed for the time being is known as the chairman.
- (4) The directors may terminate the chairman's appointment at any time.
- (5) If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

28. Casting vote

- (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) Article 28{1) does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

29. Conflicts of interest

- (1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when-
 - a. the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
 - b. the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - c. the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes-
 - a. a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
 - b. subscription, or an agreement to subscribe, for securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
 - c. arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7) of this article, if a question arises at a meeting of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

30. Records of decisions to be kept

The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors. This section applies to director decisions that are taken either at or outside Board meetings.

31. Directors' discretion to make further rules

Subject to the articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

APPOINTMENT OF DIRECTORS

32. Methods of appointing directors

(1) Subject to any Bylaws made under paragraph (12) of this Article, non executive directors will be appointed by the board of directors through nomination from within the following approved sub-sectors of the Voluntary Sector on St Helena:-

- a. Community Development
- b. Human Rights
- c. Medical/Disability NGOs
- d. National Trust
- e. Sports NGOs
- f. Youth NGOs

Each sub- sector is only entitled to be represented by one director on the board.

(2) Three "at large" Directors will be elected by the Board of Directors. They will not represent any particular organisation, but will represent the public interest at large.

(3) The CEO of the Company will be the Executive Director

(4) The number of directors will be no less than three and no more than nine including the executive director.

(5) Nominations for directorships (with the exception of the "at large" directors) are a matter for the sub-sectors listed in 32(1) above and sub-sectors should ensure that they come to an agreement on their nomination. No more than one

nomination from each sub-sector can be considered.

- (6) Each director is appointed for a period of two years from the date of his appointment but can be re-elected upon the expiry of his two year term.
- (7) Where a vacancy for a non executive director arises before the normal expiry date for whatever reason, the relevant sub-sector, listed in 32(1) above, may nominate a replacement director for consideration for appointment by the board of directors. If the vacancy is for an "at large" director the remaining directors may appoint a replacement director. The term of office of any replacement director will be for the unexpired term of office of the director he replaces.
- (8) In order to avoid potential conflicts of interest and to maintain independence from the state the following persons are ineligible to be appointed as directors namely: councillors; senior government officials; employees, directors, shareholders or members of organisations in competition with the company.
- (9) The board of directors has absolute and sole discretion whether to appoint or not appoint a nominee from an approved sub-sector as a director or in appointing an "at large" director. If such an appointment, in the opinion of the board of directors, would render the effective operation of the board unworkable, the board of directors may decline to appoint the so nominated director in its sole and absolute discretion. Any such decision would be conveyed to the nominating body who would be invited to propose an alternative nomination.
- (10) Director nominations to take effect from the normal expiry date of the two year term must be received by the board no later than three calendar months before the expiry thereof. A board decision on acceptance or not of that nomination must be made at the earliest available meeting of the board and in any case within one month of receipt of the nomination.
- (11) Any appointments or re-appointments of directors will be reported to the Annual General Meeting for information.
- (12) The directors may make Bylaws providing that specified classes of persons shall be ineligible for appointment as directors.

33. Termination of director's appointment

A person ceases to be a director as soon as-

- a. that person ceases to be a director, or is forbidden to be a director, by any rule of law;
- b. a bankruptcy order is made against that person;
- c. a composition is made with that person's creditors generally in satisfaction of that person's debts;
- d. a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- e. by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- f. 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.
- g. The nominating sub-sector of the Voluntary Sector as defined at Section 32(1) replaces their nominated director/withdraws their support for the nominated director as their representative on the board of directors. Such a decision must be conveyed to the CEO of the Company, in writing, a minimum of 24 hours before a regularly scheduled or specially scheduled meeting of the board of directors.
- h. The director acts contrary to the rules and principles laid out in the document entitled "Directors Code of Conduct, Duties and Responsibilities".
- i. his sub-sector as defined in Section 32 (1) above ceases to operate.

34. Directors' remuneration

(1) Directors may undertake any services for the company that the directors decide.

(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.

(3) Subject to the articles, a director's remuneration may-

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

(4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.

- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

35. 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 otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

PART 4 - ADMINISTRATIVE ARRANGEMENTS

36. Means of communication to be used

- (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 Ordinance, 2004 provides for documents or information which are authorised or required by any provision of that Ordinance to be sent or supplied by or to the company.
- (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.
- (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 a specified time of their being sent, and for the specified time to be less than 48 hours.

37. Company seal

- (1) Any common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is-
 - a. any director of the company;
 - b. the company secretary (if any); or
 - c. any person authorised by the directors for the purpose of signing documents to which the common seal is applied.
- (5) At any time when the company does not have a common seal, deeds may be executed on behalf of the company by any two directors, who declare on the face of the instrument that they execute it as a deed on behalf of the company, and whose signatures are duly witnessed.

38. Provision for employees on cessation of business

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or

shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

39. Indemnity

(1) Subject to paragraph (2) of this article, a relevant director of the company or an associated company will 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;
- c. any other liability incurred by that director as an officer of the company or an associated company.

(2) This article does not authorise any indemnity which would be prohibited or rendered void by any rule of law.

(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.

40. Insurance

(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.

(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

SCHEDULE A -INTERPRETATION

In the articles, unless the context requires otherwise-

- "Company" or "SAMS" means the South Atlantic Media Services Ltd;
- "bankruptcy" includes individual insolvency proceedings in any jurisdiction which have an effect similar to that of bankruptcy;
- "chairman" has the meaning given in article 27;
- "chairman of the meeting" has the meaning given in article 12;
- "document" includes, unless otherwise specified, any document sent or supplied in electronic form;
- "Member Organisation" means an organisation that is a member of the Company;
- "Member Organisation Representative" means an appointed representative of a Member Organisation;
- "participate" , in relation to a directors' meeting, has the meaning given in article 25;
- "writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

and other words or expressions contained in these articles bear the same meaning as in the Ordinance as in force on the date when these articles become binding on the company.

Dated this

Signed:



Terrence F Richards

Chairman

4/11/16.

South Atlantic Media Services Ltd

