

COMPANY NUMBER: 4361009

**ARTICLES OF ASSOCIATION
OF
NORTHERN HOUSING CONSORTIUM LIMITED**

Incorporated 25 January 2002

Wrigleys Solicitors LLP
19 Cookridge Street
Leeds LS2 3AG
Tele: 0113 244 6100
Fax: 0113 244 6101
www.wrigleys.co.uk

THE COMPANIES ACT 1985 AND 2006

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

ARTICLES OF ASSOCIATION*

- of -

**NORTHERN HOUSING CONSORTIUM LIMITED
MODEL ARTICLES**

1. Subject to the following Articles, the Model Articles contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 shall apply to the Company but, in the case of any variation or inconsistency between these Articles and the Model Articles, these Articles shall prevail and apply.

INTERPRETATION

2. In these Articles the words standing in the first column of the Table below shall bear the meaning set opposite to them respectively in the second column thereof; if not inconsistent with the subject or context :

WORDS	MEANING
AGM	Annual General Meeting of the Company
Co-opted Director	A Director of the Company appointed by the Board pursuant to Article 45.2
Consent of Full Members	Consent of a 75% majority of Full Members receiving notice of a request for consent and signifying their consent in writing or by a separate meeting of such class of members to which meeting the provisions of Article 30.1 shall apply as if such decision required a Special Resolution
Director	A person holding the office of director of the Company
In writing	Refers to a legible document on paper including a fax message or a legible document in electronic format
Major Items of Expenditure	Such amount as shall be set out in the Standing Orders of the Company from time to time dealing with financial matters

* Amended by Special Resolutions dated 11th October 2005, 16 October 2007, 12 October 2009, 1 November 2012 and 7th November 2013

Month	Calendar Month
Model Articles	The Model Articles for a Company Limited by Guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008
Non-Executive Director	A person appointed as a Director of the Company by the Members of the Company or co-opted to fill a casual vacancy pursuant to Article 45.3
Public Body	A local authority, health authority or other organisation which is part of national, regional local government or whose funding is principally derived from public funds
Region	The Northern region comprising Northumberland, Tyne & Wear, Durham and Teeside, the Yorkshire Region comprising North Yorkshire, South Yorkshire, West Yorkshire and East Yorkshire, the North West region comprising Cumbria, Lancashire, Cheshire, Merseyside and Greater Manchester
The Act	The Companies Act 2006 and any amendments to or any re-enactment of that Act for the time being in force and any provisions of the Companies Act 1985 and any amendments to or any re-enactment of that Act for the time being in force
The Board	The Board of Directors for the time being of the Company
The Company	The above-named Company
The North	The County areas of Northern England i.e. Northumberland, Tyne & Wear, Durham, Teeside, North Yorkshire, South Yorkshire, East Yorkshire, West Yorkshire, Cumbria, Lancashire, Cheshire, Merseyside and Greater Manchester
The Seal	The common seal of the Company
The United Kingdom	Great Britain and Northern Ireland

And words importing the singular number only shall include the plural number, and vice versa. Words importing the masculine gender only shall include the feminine gender; and

Words importing persons shall include corporations.

Subject to the above any words or expressions defined in the Act or any statutory modification thereof in force at the date on which these presents become binding on the

Company shall, if not inconsistent with the subject or context, bear the same meanings in these presents.

NAME

3. The name of the Company ("the Company") is Northern Housing Consortium Limited.
4. The registered office of the Company shall be situated in England and Wales.
5. The Company, similar to its predecessor organisation, the Northern Consortium of Housing Authorities, is formed as an independent, impartial and non-political organisation to meet the needs of its Members.

OBJECTS

6. The objects for which the Company is established are:-
 - 6.1 To promote, influence and disseminate the advancement of housing knowledge, research, policy, practice, investment and provision in meeting housing and related social, community and planning needs through, as necessary, representation and collaboration with other organisations including the Government and other agencies
 - 6.2 The doing of such other things as are incidental or conducive to the attainment of these objects

POWERS

7. The Company shall have power to do anything that a natural or corporate person can lawfully do which is necessary or expedient in the furtherance of any or all of its objects unless prohibited in these Articles including, without limitation:
 - 7.1 To raise or accept income through subscriptions, trading, grants, loans, sponsorship, donations, bequests, or other means, including the provision of housing, research and other services concerning housing and the community;
 - 7.2 To promote and increase membership of the Company;
 - 7.3 To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary for the promotion of its objects, and to construct, maintain and alter any buildings or erections necessary for the work of the Company;
 - 7.4 To sell, let, mortgage, dispose of, or turn to account all or any of the property or assets of the Company as may be thought necessary for the promotion of its objects;
 - 7.5 To borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit;
 - 7.6 To open and maintain a bank account or bank accounts in the name of the Company;

- 7.7 To invest the monies of the Company not immediately required for its purposes in or upon such investments, securities or property as may be thought fit and permitted by law;
- 7.8 To establish, manage and support or aid in the establishment and support of any trading company, charitable companies or institutions and to subscribe or guarantee money for charitable purposes generally;
- 7.9 To employ staff and/or agents, and to make provision for the proper remuneration of any such persons including power to make all reasonable and necessary provision for the payment of pensions and superannuation in or on behalf of employees and their widows widowers and other dependants;
- 7.10 To insure and arrange insurance cover for the Company from and against all such risks as the Board may think fit and to pay any premium in respect of such premium;
- 7.11 To insure and arrange insurance cover for and to indemnify its Directors, Members, employees, voluntary workers and other approved persons from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to pay any premium in relation to indemnity insurance in respect of liabilities of its Directors or any of them which would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in respect of the Company PROVIDED THAT such insurance shall not extend to any liability in respect of an act or omission which such Director or Directors knew or ought reasonably to have known as a breach of duty or trust or which was committed by such Director or Directors recklessly without due regard as to whether such act or omission might be a breach of duty or trust;
- 7.12 To co-operate with and enter into any contracts or arrangements with any persons or bodies, including any company, corporate body, any national, local or other authority and any other public body;
- 7.13 To negotiate agreements and undertake purchasing on behalf of members of the Company;
- 7.14 To present, promote, organise, provide, manage and produce any media, televisual, information technology or other publishing activity, films, broadcasts, exhibitions, tutorials, seminars, courses and workshops, whether on any premises of the Company or elsewhere;
- 7.15 To procure to be written, printed, published and issued gratuitously or otherwise such papers, books, pamphlets or other documents as shall further the above objects.

NO DIRECTORS' BENEFITS

8. The income and property of the Company shall be applied solely towards the promotion of the objects of the Company as set out in this Memorandum of Company. No Director shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Company

PROVIDED THAT this shall not prevent the payment, in good faith by the Company:

- (A) of reasonable and proper remuneration to any member, officer or servant of the Company for any services rendered to the Company;
- (B) subject to prior approval of an Annual General Meeting of reasonable and proper remuneration for a specified period (being no longer than three years) following an Annual General Meeting for services to be rendered as a Director of the Company;
- (C) of reimbursement of any reasonable and proper out-of-pocket expenses incurred by a Director in carrying out any business of the Company in accordance with the expenses policy of the Company;
- (D) of interest on money lent by any member of the Company or of its Board of Management or Governing Body at a rate per annum not exceeding 2% above the base lending rate of a clearing bank to be selected by the Board of Directors;
- (E) of reasonable and proper rent for premises demised or used by any member of the Company or of its Board of Directors;
- (F) of fees remuneration or other benefit in money or money's worth to a Company of which a member of its Board of Directors may be a member holding not more than one hundredth part of the capital of such Company.

EQUALITY OF OPPORTUNITY

9. The Company shall consider and apply the principles of equality of opportunity irrespective of age, disability, ethnic origin, gender, nationality, religion, race, or sexual orientation.

LIMITED LIABILITY

10. The liability of the members is limited.

CONTRIBUTION ON WINDING UP

11. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the Company contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.

DISTRIBUTION ON WINDING UP

12. If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall be paid to or distributed among the members of the Company in accordance with the financial participation of members in the activities of the Company through purchasing services from or through the Company and in payment of membership subscriptions during a six year period ending with a date set by the Board of the Company prior to giving proper notice to the members of a resolution to wind up the Company.

MEMBERSHIP

13. There is no limit on the number of members the Company may have.
14. The first members of the Company shall be the Subscribers to the Memorandum and Articles of Company.
15. The Board may admit to membership any local authority, person, firm, corporate body or unincorporated association provided that only persons and organisations who agree with the Objects of the Company and who are admissible to one or more of the membership categories in Article 20 shall qualify for membership.
16. The provisions of section 113 of the Act, relating to the maintenance of a register of members, shall be observed by the Company, and every member of the Company shall sign a written consent to become a member.
17. The entry for every member in the register of members shall include a note of the category of membership of that member as prescribed in Article 20.
18. A member which is a corporate body or unincorporated association shall by resolution of its governing body appoint an employee of the organisation as its representative, who shall, during the continuance of the appointment be entitled to exercise in any General Meeting of the association all such rights and powers as the corporate body or unincorporated Company would exercise if it were an individual person.
19. Every application for membership shall be considered by the Board at its first meeting after the application was made or as soon afterwards as is practicable.
 - 19.1 Subject to Clause 19.2 any acceptance of an application for membership shall be conditional on payment by the applicant of the full amount of the annual membership subscription set by the Board. No applicant shall be entered in the Register of Members unless and until such subscription has been received by the Company.
 - 19.2 The Board may establish rules for temporary membership of the Company in order to admit to the membership of the Company persons who have not paid an annual membership subscription. Such persons shall hold membership of the Company from the date of acceptance of the temporary membership subscription until such date as the Board shall determine in each specific circumstance of temporary membership.

20. Every member, upon admission, shall be allocated one of the following categories of membership at the absolute discretion of the Board:

20.1 "Full Member" shall be:-

20.1.1 Statutory Housing Authorities and strategic public housing bodies in the North, Social Landlords in the North (to include Local Housing Companies and Arms Length Management Companies); together with other Landlords admitted by the Board

20.2 "Affiliate Members" shall be:

20.2.1 Statutory Housing Authorities and strategic public housing bodies outside the North, Social Landlords outside the North (to include Local Housing Companies and Arms Length Management Companies); together with other Landlords outside the North admitted by the Board

20.2.2 All other housing related public bodies

20.3 "Subscriber Member" shall be:

All other organisations interested or involved in housing

20.4 "Partner Members" shall be:

20.4.1 Organisations designated by the Company with which the Company will jointly (including intellectual contribution) provide, promote or create products, services or arrangements that will benefit the Consortium's members.

20.5 "Temporary Members" shall be:

20.5.1 such persons who have been admitted into temporary membership of the Company

21 The Board may at any time amend a member's category of membership in the event of a change in circumstance of that member, and shall notify the member in question of their decision within fourteen days of so doing.

22 A member shall cease to be a member if :

22.1 in the opinion of the Board, the member ceases to fulfil the qualifications for membership specified in Article 15 or 19; or

22.2 the member is expelled by the Board for conduct prejudicial to the Company, this decision will be endorsed at the next general meeting.

22.3 the member fails to pay the annual subscription within three months of the due date; or

22.4 the member resigns by notice in writing

- 22.5 the member dies, if an individual person; or
- 22.6 the member is wound up or goes into liquidation, if a corporate body or unincorporated association.

GENERAL MEETINGS

- 23. The Company shall hold a General Meeting in every calendar year as its AGM at such time and place as may be determined by the Company and shall specify the meeting as such in the notices calling it, provided that every AGM except the first shall be held not more than fifteen months after the holding of the last preceding AGM, and that so long as the Company holds its first AGM within eighteen months after its incorporation it need not hold it in the year of its incorporation or in the following year.
- 24. All General Meetings, other than AGMs, shall be called Extraordinary General Meetings.
- 25. The Board may whenever they think fit convene an Extraordinary General Meeting of the Company, or members representing ten per cent of the total voting rights or five per cent of the total voting rights where more than twelve months has elapsed since the last general meeting, may convene an Extraordinary Meeting as provided by section 303 of the Act.
- 26. A General Meeting shall be called by at least 14 days' clear notice.
- 27. Notice of every General Meeting shall be given in writing or, where a member has agreed, electronically (including e-mail and website notices) to every member of the Company, to the Directors and to the Auditors and shall specify the exact time and place of the meeting. In the case of an Extraordinary General Meeting the nature of the business to be raised at the meeting shall be specified. The accidental omission to give notice of a meeting or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate proceedings at that meeting.

VOTES OF MEMBERS

- 28. At any General Meeting every Full Member shall be entitled to one vote.
- 29. No member, other than a Full Member duly registered, who shall have paid every subscription and other sum (if any) which shall be due and payable to the Company in respect of its membership, shall be entitled to vote on any question at any General Meeting.
- 30. Decisions at General Meetings shall be made by passing resolutions:
 - 30.1 Decisions involving an alteration to the Memorandum and Articles of Company and other decisions so required by statute shall be made by Special Resolution. A Special Resolution is one passed by a majority of not less than three-fourths of the members of the Company present and voting at a General Meeting. At least 14 days' notice specifying the intention to propose a resolution as a Special Resolution shall be given to Members.
 - 30.2 All other decisions shall be made by ordinary resolution requiring a simple majority.

- 31 Votes of Members may be given on a show of hands or on a poll personally or by proxy or by or together with voting electronically or by post save that no person may carry more than one proxy vote. A member which is a corporate body or unincorporated association may vote only by means of its nominated deputy, duly appointed in accordance with Article 18.

PROCEEDINGS AT GENERAL MEETINGS

- 32 The business of an AGM shall include :

- 32.1 the receipt of an Annual Report containing the income and expenditure accounts for the Company's accounting period and the balance sheets at its end, the Auditors reports on those accounts and balance sheet and the Board's report on the affairs of the Company.
- 32.2 the election of Directors
- 32.3 the appointment and the fixing of the remuneration of the Auditors
- 32.4 any changes to Memorandum and Articles of Association.

All other business transacted at an AGM and all business transacted at an Extraordinary General Meeting shall be deemed special.

- 33 No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business. A quorum shall be 10 Full Members of the Company present in person or by proxy.
- 34 Representatives of Full Member organisations may attend, speak and vote at General Meetings, but only the nominated employee of each Full Member organisation may vote at General Meetings. Representatives of Affiliate, Partner, Subscriber and Temporary Members may attend and speak but not vote at General Meetings. The Chief Executive and other appropriate officers of the Company including the Treasurer and Auditors shall be entitled to attend General Meetings of the Company and speak if invited to do so by the Chair.
- 35 If within half an hour from the time appointed for the holding of a General Meeting a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to such time and date agreed by the Board. Alternatively, a written resolution can be arranged by the Board to decide urgent business.
- 36 The Chair, or in her/his absence, the Vice-Chair shall preside as chair of the meeting, or if at any meeting they shall not be present within fifteen (15) minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to the chair, and, if there is only one Director present and willing to act, that Director shall be chair.
- 37 The Chair may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a

meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as of an original meeting. Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting except in accordance with this Article.

- 38 At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is, before or upon the declaration of the result of the show of hands, demanded by the Chair or by at least four members having the right to vote at the meeting or a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting. Unless a poll be so demanded a declaration by the Chair of the meeting that a resolution has been carried or carried by a particular majority or lost and an entry to that effect in the minute book of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may before the poll is taken be withdrawn but only with the consent of the Chair and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand for a poll was made.
- 39 Subject to the provisions of Article 40, if a poll be demanded it shall be taken at such time and place, and in such manner, as the Chair of the meeting shall direct and he may appoint scrutineers (who may not be Members). The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Board may at any time require that a postal ballot is held in respect of any matter which may be the subject of a resolution at a General Meeting.
- 40 A poll demanded on the election of a Chair or any question of adjournment shall be taken forthwith.
- 41 In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting shall be entitled to a second and casting vote.
- 42 The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

THE BOARD

- 43 Unless otherwise determined by the Company in General Meeting (and except at first as set out in Article 45.1), the number of Directors, not including persons co-opted in accordance with Article 45.2 shall not be less than six nor more than twelve.
- 43A The Directors appointed pursuant to Article 43 shall come from Full Member organisations with only one Director being nominated and elected from any individual organisation. Nominations for Directors shall be reviewed by the Board against a skills matrix of Directors to ensure that nominations for Directors will be suitable to fill any skills vacancy perceived by the Board. The Board may refuse a nomination if it believes that a candidate's skills do not match those of the Board vacancy. The Board shall seek to ensure a regional geographical balance of Board Members across the Northern Region subject to obtaining the relevant skills among Board Directors which are perceived to be required. This Article 43A shall not apply to Directors who are appointed pursuant to Article 45.2.

- 44.1 At every AGM one third of Directors who are subject to retirement will do so by rotation. Agendas for AGMs will include Board recommendations for Directors as well as resolutions
- 44.2 Subject to the provisions of the Act, the Directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last appointed Directors on the same day those to retire shall (unless they agree otherwise among themselves) be determined by lot
- 44.3 Save for the Chair, the maximum term of office of a Director shall be two full terms of three years (or 6 years) plus any period of less than 12 months of co-option as a Director before first election as a Director. The usual retirement date for a Director shall be at an AGM.
- 44.4 If the Board seek to appoint a Director as Chair beyond the maximum term of a Director set out in Article 44.3 the Board shall nominate for election at an AGM the appointment of that Director for a final term of office of up to three years.
- 44.5 The maximum term of office of a Director who is the Chair shall be three full terms of three years (or 9 years) plus any period of less than 12 months of co-option as a Director before first election as a Director.
- 44.6 A Director who has completed the maximum term of office is eligible for reappointment after a period of five (5) years has elapsed since the final date of his term of office

MEMBERSHIP OF THE BOARD AND OFFICERS' ATTENDANCE AT MEETINGS

45. Membership of the Board and Officers' attendance at meetings.
- 45.1 Membership of the Board will comprise six to twelve Directors including the Chair and one Vice Chair, except that in the period to the close of the Annual General Meeting in 2014 the number of Directors shall be thirteen.
- 45.2 The Board may from time to time in addition to the Directors appointed under Article 45.1 co-opt up to a maximum of three Directors, the "Co-opted Directors", for up to three years when they may be co-opted again for a second and final three year term. A Chair who is a Co-opted Director shall have one vote at Board meetings. A Co-opted Director who is not Chair of the Board shall have no vote at Board meetings.
- 45.3 The Board may at any time co-opt any Full Member of the Company or the employee of a Full Member as a member of the Board to fill a casual vacancy. Any member so appointed shall retire at the AGM following their appointment and shall then be eligible for re-election thereafter. The retirement of any Director co-opted pursuant to this Article shall not be taken into account in determining the number of Directors who are to retire by rotation at the meeting as provided for in Article 44.1

- 45.4 No Board member shall be entitled to appoint any person to substitute for him/her as an alternative Board member.
- 45.5 The following officers of the Company shall be entitled by virtue of their office to attend and speak at Board meetings of the Company but shall have no vote:
- 45.1.1 Chief Executive; and
 - 45.1.2 Company Secretary
46. Save for appointments pursuant to Article 45.2, no person who is not a member of the Company or the employee of a corporate body or an unincorporated organisation who is a member, shall in any circumstances be eligible to hold office as a Director.

POWERS OF THE BOARD

47. The business of the Company shall be managed by the Board who shall pay all such expenses of the formation of the Company as they think fit and may exercise all such powers of the Company as may be exercised and done by the Company and as are not by statute or by these Articles required to be exercised or done by the Company in General Meeting.
48. The Board may act regardless of any vacancy in their body, but if and so long as their number is less than the minimum prescribed in these Articles, the Board may act for the purposes of increasing their number or of summoning a General Meeting of the Company, but for no other purpose.

DIRECTORS' INTERESTS

49. Directors' Interests

- 49.1 Without prejudice to his obligation to disclose interests in accordance with the Act each Board member shall ensure that the Company Secretary is provided at all times with an up to date list of:
- 49.1.1 All companies and other organisations in which he or she has an interest as a member, a director, senior employee or controller of more than 2% of the issued capital of the company;
 - 49.1.2 All interests as an official of any statutory body; or
 - 49.1.3 Any other significant or material interest.
- 49.2 Provided that he has disclosed to the Directors in accordance with the Act the nature and extent of any material interest of his and any other requirements of the Act relating to the matter have been complied with, a Director notwithstanding his office:
- 49.2.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested; and

49.2.2 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

49.3 For the purposes of Article 49.1

49.3.1 a general notice given to the Directors at a Board meeting that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and

49.3.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

49.4 The procedure for Conflicts of Interests at Board Meetings is set out in Article 51.

DISQUALIFICATION OF MEMBERS OF THE BOARD

50 The office of a Director shall be immediately vacated if the Director :

50.1 resigns in writing to the Company; or

50.2 ceases to be a member of the Company in accordance with Article 22 or is the employee of a corporate body or unincorporated association which ceases to be a member; or

50.3 becomes bankrupt or of unsound mind; or

50.4 fails, without reasonable excuse, to attend three consecutive meetings of the Board; or

50.5 is removed from office by resolution of the Company in General Meeting in accordance with section 168 of the Act; or

50.6 ceases to hold office by reason of an order made under the Company Directors Disqualification Act 1986; or

50.7 ceases to be a Member or employee of a Full Member organisation; or

50.8 has served the maximum period as a Director including, where appropriate, as the Chair.

PROCEEDINGS OF THE BOARD

- 51 The Board may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit provided that the quorum for the transaction of business of the Board shall be three elected Directors. The Chair's role is to ensure the smooth running of the business of the Board meeting. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the Chair shall not have a casting vote unlike the AGMs where he has both a vote and a second casting vote.
- 51.1 Any Board member having an interest in any arrangement between the Company and another organisation or person shall disclose the nature and extent of that interest to the meeting before the matter is discussed by the Board or a committee of the Board. Unless the interest is of the type defined by Article 51.2 the Director concerned shall not remain present during the discussion of the item unless requested to do so by the remaining members of the Board or Committee of the Board. Unless complying with Article 51.2 the Director concerned may not vote or count in the quorum on the matter in question.
- 51.2 Providing an interest has been properly disclosed, a Board member may remain present during the discussion and may vote and count in the quorum on the matter under discussion where the interest arises because:
- 51.2.1 The Board member is a Director or other officer of a company or organisation which is a parent, subsidiary, associate or member of the company; and
- 51.2.2 The Board member is an official or member of any statutory body.
- 51.3 If a question arises at a meeting of the Board or of a committee of the Board regarding the right of a Board member to vote, the question may be referred to the Chair of the meeting and his or her ruling in relation to any Board member other than his or herself shall be final and conclusive.
- 52 A Director may, and on the request of a Director the Secretary shall, at any time, summon a meeting of the Board by 14 days' clear notice served upon the several members of the Board. A Director who is absent from the United Kingdom shall not be entitled to notice of a meeting.
- 53 Chair and Vice-Chair
- 53.1 The Board at their first meeting following the AGM shall elect a Chair and one Vice-Chair. The Vice-Chair must be a Full Member or the employee of a Full Member and must not be a Co-opted Director.
- 53.2 The Chair shall preside at all General meetings and meetings of the Board at which he or she shall be present. If at any meeting the Chair shall not be present within fifteen minutes after the time appointed for holding the meeting and willing to preside the Vice-Chair shall be chair of the meeting and in his or her absence the Directors present shall choose one of their number to be Chair of the meeting.

- 53.3 A Director who is serving as Chair may be reappointed by the Board for a maximum of five annual terms. After the end of such Director's term of appointment or series of consecutive terms of appointment, he or she shall only be eligible for reappointment as Chair where a period of five (5) years has elapsed since the last date on which such Director acted as Chair.
- 53.4 Notwithstanding the provisions of Article 44.4 if the Board decide that a person should not be re-appointed as Chair after a Director has served six years in office, that person's term of office as a Director comes to an end at that meeting set out at Article 53.1 at which the re-appointment shall be considered.
- 54 The Board may delegate any of their powers to committees consisting of such Director or Directors or others as they think fit, and any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations imposed on it by the Board including alteration or relocation. The Board may also delegate to any person holding an executive office such of their powers as they consider desirable to be exercised in accordance with any regulations imposed by the Board.
- 55 In any period between Board meetings, if an urgent decision is required to be taken on behalf of the Company and it is a decision to be taken by the Board which has not previously been delegated to the Chief Executive, the Chief Executive or their nominated deputy together with the Chair of the Board or their nominated Deputy will decide whether a decision is urgent and make such a decision. Wherever possible, other members of the Board should be consulted prior to a decision being made. All decisions made under the power will subsequently be ratified by the Board. All decisions made under this power, together with the outcome of any consultations with the Board prior to a decision being made, must be recorded in the meeting minutes of the next Board meeting. The power is subject to revocation by the Board at any time.
- 56 All acts done in good faith by any meeting of the Board or by any committee of the Board, or by any person acting as a Director, shall, even if it is afterwards discovered that there was some defect in the appointment or continuance in office of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a Director.
- 57 The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Company and of the Board and of committees of the Board including the names of all Directors present at meetings, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the Chair of such meeting, or by the Chair of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
- 58 A resolution in writing signed by all Directors or of any committee of the Board who are entitled to receive notice of a meeting of the Board or of such committee shall be as valid and effectual as if it had been passed at a duly convened and constituted meeting of the Board or such committee (as the case may be).
- 59 A meeting of the Board of Directors or of a committee of the Board may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic or other communication) to speak to each of the others, and to be

heard by each of the others simultaneously; and the word "meeting" in these Articles shall be construed accordingly.

COMMERCIAL ADVISORY GROUP

60 In addition to the Board's powers to establish committees, the Board may appoint to and remove by written notice members of a Commercial Advisory Group. The Board shall set its terms of reference and composition. Its purpose is to provide advice to the Board on commercial opportunities for the Company.

COMPANY SECRETARY

61 The Company Secretary shall be appointed by the Board for such time, at such remuneration and upon such conditions as they may think fit, and the Secretary so appointed may be removed by them provided always that no Director shall occupy the salaried position of Company Secretary.

CHIEF EXECUTIVE

62 The Chief Executive shall be appointed by the Directors to manage the Company on a day to day basis for such time, at such remuneration and upon such conditions as they may think fit, and the Chief Executive so appointed may be removed by them.

EXECUTION OF DEEDS

63 Deeds may be executed by the Company by the affixing of the Seal, by the signatures of two Directors or a Director and the Secretary, or by the signature of one Director or a duly authorised attorney in the presence of an attesting witness. The Seal shall only be used by the authority of the Board and every instrument to which the Seal is applied shall be signed by two Directors or a Director and the Secretary, or by a duly authorised attorney. Every such application shall be minuted. If the Board so decides it shall dispense with the Seal.

ACCOUNTS

64 Board shall cause proper books of account to be kept with respect to:

- 64.1 all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place;
- 64.2 all sales and purchases of goods by the Company; and
- 64.3 the assets and liabilities of the Company

Proper books shall be deemed to be kept if they give a true and fair record of the state of the Company's affairs and explain its transactions.

65 The books of account shall be kept at the registered office of the Company or, subject to section 388 of the Act, at such other place or places as the Board thinks fit, and shall at all reasonable times be open to the inspection of all Directors and officers and by other persons authorised by the Company in General Meeting.

- 66 Board shall from time to time, in accordance with sections 396 and 437 of the Act, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets and any reports referred to in those sections. The Board shall recommend to members the proportion of any profits which shall be returned to members in proportion to their trade with the Company during the financial period to which the accounts relate.
- 67 A copy of every balance sheet, including every document required by law to be annexed thereto, which is laid before the Company in General Meeting, together with a copy of the Auditor's report and the report of the Board shall, not less than 14 days before the date of the meeting, subject nevertheless to the provisions of section 436(2) of the Act, be sent to all persons entitled to receive notice of General Meetings. The Auditor's report shall be open to inspection and shall be read before the meeting.

AUDIT

- 68 Once at least in every year the accounts of the Company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified auditor or Auditors.
- 69 Auditors shall be appointed and their duties regulated in accordance with the provisions

NOTICES

- 70 A notice may be served by the Company upon any member, either personally, by sending it through the post in a prepaid letter, addressed to such member, at his or her registered address as appearing in the register of members or, where a member has agreed, electronically (including e-mail and website notices).
- 71 Any member described in the register of members by an address not within the United Kingdom, who shall from time to time give the Company an address within the United Kingdom at which notices may be served upon him or her shall be entitled to have notices served upon him or her at such address, but, save as aforesaid and as provided by the Act, only those members who are described in the register of members by an address within the United Kingdom shall be entitled to receive notices from the Company.
- 72 Notice of all meetings shall be given exclusive of the day on which it is effected. Where notice is sent by post the notice shall be deemed to have been served seventy two hours after the notice has been posted, provided that it was properly addressed and pre-paid. Where the notice is sent electronically the notice shall be deemed to have been served forty eight hours after the notice has been sent, provided that it was properly addressed.

INDEMNITY

- 73 Subject to the provisions of the Act but without prejudice to any indemnity to which Director may otherwise be entitled, every Director, Company Secretary, auditor or other officer of the Company, shall be indemnified out of the assets of the Company against any liability incurred by him or her in defending any proceedings, whether civil or criminal, in which judgement is given in his or her favour or in which he or she is acquitted or in connection with any application in which relief is granted to him or her by the court from

liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

- 74 The Board shall have the power to purchase and maintain for any Director or officer of the Company insurance against any such liability as is referred to in Section 232 of the Act.

REGULATIONS, RULES OR BY-LAWS

- 75 The Board of Directors shall have the powers to make, amend and repeal whatever standing orders, regulations, rules or By-laws that are deemed necessary or convenient for the proper conduct and management of the Company and which are consistent with the Memorandum, these Articles and the Act, including:

- 75.1 financial and administrative matters
- 75.2 the procedure at general meetings insofar as such procedure is not regulated by these Articles
- 75.3 the admission of members and their rights and privileges
- 75.4 generally all matters which are commonly the subject of Company rules

Provided that the Company in general meetings shall have power to alter any such standing orders, regulations, rules or by-laws. Also, the Secretary shall notify all members of any relevant standing orders, regulations, rules or by-laws.