

Company No. 5338703

COMPANIES ACTS 1985 and 1989

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

OF

SOUTH EAST CENTRE FOR THE BUILT ENVIRONMENT LIMITED

(Adopted by special resolution passed on 11 April 2005

Section 14 amendment adopted by special resolution passed on 17 July 2008)

**1 PRELIMINARY**

1.1 In these Articles the following words and expressions have the following **Definitions** meanings:

**“the Act”** the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force;

**“Advisory Council”** together the Advisory Council Members;

**“Advisory Council Aims and Objectives”** without limitation to such other objectives that the board of Directors may from time to time determine: to consider and advise on key matters likely to significantly affect the Sector and from which the members are drawn; to provide strategic advice to the Company and to propose new projects and initiatives for consideration by the board of Directors;

**“Advisory Council Member”** an organisation duly admitted to membership of the Advisory Council by the board of Directors;

**“Advisory Council Representative”** a duly appointed representative of an Advisory Council Member;

**“Articles”** these articles of association, as altered from time to time by special resolution and **“Article”** shall be construed accordingly;

**“Auditors”** the auditors from time to time of the Company;

**“Business Sector Director”** an individual who shall be employed at the level of director by a company engaged in commerce in the sector. Their place of work or residence should be in the region although this is not an essential

	requirement;
<b>“Clear Days”</b>	in relation to the period of a notice means 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;
<b>“Combined Code”</b>	the Combined Code on Corporate Governance;
<b>“Company”</b>	South East Centre for the Built Environment Limited;
<b>“Electronic Communication” and “Communication”</b>	have the same meaning as in the Electronic Communications Act 2000;
<b>“Director”</b>	a director of the company and the <b>“Directors”</b> means the Directors or any of them acting as the board of Directors of the Company;
<b>“Executed”</b>	includes any mode of execution;
<b>“First Directors”</b>	the authorised representatives of the subscribers to the memorandum of association of the Company who shall (unless agreed otherwise), for the purposes of these Articles be deemed duly appointed Sector Business Directors;
<b>“in writing”</b>	includes, without limitation, Electronic Communication;
<b>“Office”</b>	the registered office of the Company;
<b>“Remuneration Committee”</b>	a committee of the Directors consisting of the chairman of the board of Directors and two other non-executive Directors who are independent from the day to day management of the Company;
<b>“Seal”</b>	the common seal of the Company and includes any official seal kept by the Company by virtue of section 39 or 40 of the Act;
<b>“Secretary”</b>	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
<b>“Sector”</b>	Built Environment;
<b>“SEEDA”</b>	the South East England Development Agency;
<b>“SEEDA Region”</b>	Berkshire, Buckinghamshire, East Sussex, Hampshire, the Isle of Wight, Kent, Oxfordshire, Surrey and West Sussex;

<b>“Stakeholder Director”</b>	an individual recognised by the Company whose principal duties and responsibilities relate to businesses in the Sector and whose principal place of business is situated within the SEEDA Region.
<b>“Statutes”</b>	the Act and every statute (including any orders, regulations or other subordinate legislation made under them) for the time being in force concerning companies and affecting the Company);
<b>“the UK”</b>	Great Britain and Northern Ireland;

- 1.2 In these Articles: **Interpretation**
- 1.2.1 unless expressly defined in the Articles, words or expressions that are defined in the Act bear the same meaning as in the Act but excluding any statutory modification of the Act not in force when the Articles become binding on the Company;
  - 1.2.2 words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender and words denoting persons include corporations;
  - 1.2.3 headings and marginal notes are inserted for convenience only and do not affect the construction of these Articles;
  - 1.2.4 the word **“Directors”** in the context of the exercise of any power contained in these Articles includes any committee consisting of one or more Directors to which or, as the case may be, to whom the power in question has been delegated;
  - 1.2.5 powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them;
  - 1.2.6 no power of delegation shall be limited by the existence or, except where expressly provided by the terms of delegation, the exercise of that or any other power of delegation; and
  - 1.2.7 except where expressly provided by the terms of delegation, the delegation of a power shall not exclude the concurrent exercise of that power by any other body or person who is for the time being authorised to exercise it under these Articles or under another delegation of the power.

2 **MEMBERS** **Membership**

- 2.1 The subscribers to the memorandum of association of the Company and such other persons as are admitted to membership, in accordance with such regulations as the Directors shall make from time to time, shall be members of the Company. Every person who wishes to become a member shall deliver to the Company a written consent to become a member in such form as the Directors require.

- 2.2 A member may at any time withdraw from the Company by giving at least thirty Clear Days' notice to the Company. Membership shall not be transferable and shall cease on death. **Withdrawal from Membership**
- 2.3 The board of Directors may also at their discretion terminate the membership of any member but the requirements of natural justice shall be respected and a member shall be entitled to be heard in his own defence by the Directors or a committee of the Directors. **Termination of Membership**
- 3 GENERAL MEETINGS**
- 3.1 An annual general meeting shall be held once in every year, at such time (within a period of not more than 15 months or earlier than nine months after the holding of the last preceding annual general meeting) and place as may be determined by the Directors. All general meetings other than annual general meetings shall be called extraordinary general meetings. **Annual general meetings**
- 3.2 The Directors may call general meetings and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than 8 weeks after receipt of the requisition. If there are not within the UK sufficient Directors to call a general meeting, any Director or any member of the Company may call a general meeting. **Convening general meetings**
- 4 NOTICE OF GENERAL MEETINGS**
- 4.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least 21 Clear Days' notice in writing. All other extraordinary general meetings shall be called by at least 14 Clear Days' notice in writing but a general meeting may be called by shorter notice if it is so agreed: **Period of notice**
- 4.1.1 in the case of an annual general meeting, by all the members entitled to attend and vote thereat; and
- 4.1.2 in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than 95% of the total voting rights at the meeting of all the members.
- 4.2 The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. Subject to the provisions of the Articles the notice shall be given to all the members and to the Directors and Auditors. **Notice**
- 4.3 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting. **Accidental omission to give notice**
- 4.4 Where for any purpose an ordinary resolution of the Company is required, a special or extraordinary resolution shall also be effective. Where for any purpose an extraordinary resolution is required a special resolution shall also be effective. **Effectiveness of special and extraordinary resolutions**

## 5 PROCEEDINGS AT GENERAL MEETINGS

- 5.1 No business shall be transacted at any meeting unless a quorum is present. Four persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Directors may determine. **Quorum**
- 5.2 Committee members and any Advisory Council Member (in either case, where they are not members) shall be entitled to attend and speak at general meetings but shall not be entitled to vote. **Committee members and Advisory Council Members [not] entitled to attend general meetings**
- 5.3 The chairman, if any, of the board of Directors or in his absence some other Director nominated by the Directors shall preside as chairman of the meeting. If neither the chairman nor such other Director (if any) be present and willing to act within 15 minutes after the time appointed for holding the meeting, the Directors present shall elect one of their number to be chairman. If there is only one Director present and willing to act, he shall be chairman. **Chairman of the meeting**
- 5.4 If no Director is willing to act as chairman, or if no Director is present within 15 minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman. **No Director willing to act or present**
- 5.5 A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting. **Directors entitled to speak**
- 5.6 The chairman may, with the consent of a 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. No business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 Clear Days' or more, at least 7 Clear Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice. **Adjournments: chairman's powers**
- 5.7 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded: **Resolutions put to the vote**
- 5.7.1 by the chairman; or

5.7.2 by at least 2 members having the right to vote at the meeting; or

5.7.3 by 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;

and a demand by a person as proxy for a member shall be the same as a demand by the member.

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| 5.8  | Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.  | <b>Declaration of result</b>         |
| 5.9  | The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.  | <b>Withdrawal of demand for poll</b> |
| 5.10 | A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.   | <b>Conduct of a poll</b>             |
| 5.11 | In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.  | <b>Chairman's casting vote</b>       |
| 5.12 | A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than 30 Clear Days' after the poll is demanded. 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 the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made. | <b>When poll to be taken</b>         |
| 5.13 | No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.  | <b>Notice of poll</b>                |
| 5.14 | A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held. It may consist of several instruments in the like form each executed by or on behalf of one or more members.   | <b>Resolutions in writing</b>        |

**6 Votes of Members**

6.1 On a show of hands every member present in person shall have one vote. On a poll every member present in person or by proxy shall have one vote. **Member to have one vote**

6.2 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive. **Objection to voting**

6.3 On a poll, votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion. **Supplementary provisions on voting**

6.4 The appointment of a proxy shall be in writing executed by or on behalf of the appointor. A proxy need not be a member of the Company. **Appointment of proxy**

6.5 The proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the Directors may approve, **Form of Proxy**

I/We ..... of.....

being a member/members of the Company hereby appoint  
 ..... of .....  
 or failing him..... of  
 .....as my/our proxy to  
 vote in my/our name[s] and on my/our behalf at the annual/extraordinary  
 general meeting of the Company to be held on  
 .....and at any adjournment thereof.

Signed: .....

Date: .....

6.6 Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall contain the following clause (or a clause as near thereto as circumstances allow or any other clause which is usual or which the Directors may approve): **Instructions to Proxy**

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution	For	Against

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting.

- 6.7 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may: **Delivery of form of proxy**
- 6.7.1 in the case of an instrument in writing, be left at or sent by post or facsimile transmission to the Office or at such other place within the UK as is specified in the notice convening the meeting or as is specified in any instrument of proxy sent out by the Company in relation to the meeting before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - 6.7.2 in the case of an appointment contained in an Electronic Communication, where an address has been specified for the purpose of receiving Electronic Communications:
    - 6.7.2.1 in the notice covering the meeting, or
    - 6.7.2.2 in any instrument of proxy sent out by the Company in relation to the meeting, or
    - 6.7.2.3 in any invitation contained in an Electronic Communication to appoint a proxy issued by the Company in relation to the meeting,be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or
  - 6.7.3 in the case of a poll taken more than 48 hours after it is demanded, be left at or sent by post or facsimile transmission to the place or at such other place within the UK as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
  - 6.7.4 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the Secretary or to any Director,
- and an appointment of proxy, which is not deposited, delivered or received in a manner so permitted shall be invalid.
- 6.8 In this Article 6 and in Article 10, "address", in relation to Electronic Communications, includes any number or address used for the purposes of such communications.

- 6.9 A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll. Notice must be received by the Company at the Office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which the appointment was duly received. **Revocation of authority**
- 6.10 An instrument appointing a proxy shall be deemed to include the right to demand, or join in demanding, a poll. The instrument of proxy shall also be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless it provides to the contrary, be valid for any adjournment of the meeting as well as for the meeting to which it relates. Deposit of an instrument of proxy does not preclude a member from attending and voting at the meeting to which it relates or any adjournment of that meeting. **Validity of form of proxy**
- 7 NUMBER OF DIRECTORS**
- 7.1 Unless otherwise determined by ordinary resolution, the number of Directors shall not exceed 15. The minimum number of Directors shall be not less than 3. **Number of Directors**
- 7.2 The Directors shall include:
- 7.2.1 the Chief Executive; and
- 7.2.2 no less than 2 non-executive Business Sector Directors.
- 7.3 In addition to the minimum number of Directors referred to in Article 7.1 and Article 7.2, the Directors may include up to 1 non-executive Stakeholder Directors.
- 8 POWERS OF DIRECTORS**
- 8.1 Subject to the provisions of the Act, the memorandum of association of the Company and these Articles, the Directors may exercise all the powers of the Company. **Directors exercise powers of the Company**
- 9 DELEGATION OF DIRECTORS' POWERS**
- 9.1 The Directors may delegate to any Director holding an executive office (including, without limitation, the Chief Executive) such of their powers as the Directors consider desirable to be exercised by him. In either case, any such delegation may be made upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their powers. The Directors may from time to time revoke, withdraw, alter or vary all or any of such powers. **Delegation to any Directors holding executive office**

- 9.2 Any Director or Directors appointed to a committee (other than the Remuneration Committee) shall in his or their absolute discretion be entitled to co-opt up to 6 (or such other number as the Directors may from time to time determine) persons as additional committee members to assist the committee in its activities. **Power to co-opt**
- 9.3 The Directors shall wherever possible ensure that the Chief Executive attends committee meetings (other than meetings of the Remuneration Committee). **Chief Executive to attend committee meetings**
- 10 **APPOINTMENT AND RETIREMENT OF DIRECTORS**
- 10.1 The initial Directors of the Company shall be the First Directors. **The First Directors**
- 10.2 In relation to the appointment of Directors: **Appointments of Directors**
- 10.2.1 the Chief Executive shall be appointed pursuant to the provisions of Article 11;
- 10.2.2 save in the case of the appointment of a Business Sector Director by the Company in general meeting or by the Directors in either case to fill a casual vacancy (subject to the provisions of Article 10.9) or otherwise, the members may by ordinary resolution (subject to Article 10.6) appoint any person who is willing to act as a Business Sector Director;
- 10.2.3 Stakeholder Directors shall be co-opted to the board of Directors by the Chief Executive and the Business Sector Directors (on a simple majority vote).
- 10.3 At the first annual general meeting and at every subsequent annual general meeting one third of the Business Sector Directors and one half of the Stakeholder Directors shall retire by rotation. If their number is not even, the number nearest to one third in the case of the Business Sector Directors, or one half, in the case of the Stakeholder Directors, rounded down shall retire from office; but if there is only one such Director who is subject to retirement by rotation, he shall retire. **Retirement by rotation**
- 10.4 Subject to the provisions of the Act, the Business Sector Directors and Stakeholder Directors to retire by rotation respectively shall be those who have been longest in office since their last appointment or re-appointment, but as between persons who become or were last appointed to the board of Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. **Length of Service**
- 10.5 If the Company, at the meeting at which a Business Sector Director or Stakeholder Director (as the case may be) retires by rotation, does not fill the vacancy the retiring Director shall, if willing to act, be deemed to have been re-appointed. No re-appointment shall occur or be deemed to have occurred (as the case may be) if at the meeting it is resolved not to fill the vacancy or if a resolution for the re-appointment of the Director in question is put to the meeting and lost. **Deemed re-appointment**

- 10.6 No person shall be appointed or re-appointed as a Business Sector Director by the Company in a general meeting, unless he is formally nominated by the Chief Executive. Such nomination to be received in writing by the Secretary no less than 56 Clear Days prior to the date appointed for holding a general meeting at which appointments to the board of Directors will be proposed and considered.
- 10.7 Not less than 7 nor more than 28 Clear Days before the date appointed for holding a general meeting, notice shall be given to all who are entitled to receive notice of the meeting of any person who has been duly approved for appointment or re-appointment as a Business Sector Director or a Stakeholder Director at the meeting. **Notice of nominations**
- 10.8 No Director, excluding the Chief Executive, shall serve for more than 6 consecutive years.
- 10.9 Subject to the provision of these Articles, either the Company by ordinary resolution or the Directors may appoint any person who is willing to act as a Business Sector Director to fill a casual vacancy. A Director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the Business Sector Directors who are to retire by rotation at such meeting. If not re-appointed at such annual general meeting, he shall vacate his office at the conclusion of the meeting. **Filling a casual vacancy**
- 10.10 Subject to the provisions of these Articles, a Business Sector Director or Stakeholder Director who retires at any annual general meeting may, if willing to act, be re-appointed. If he is not re-appointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting. **Re-appointment**
- 10.11 The Chief Executive shall not be subject to retirement by rotation. **CEO not subject to retirement by rotation**
- 11 **CHIEF EXECUTIVE**
- 11.1 The Directors may appoint a chief executive officer (the “**Chief Executive**”) for such period and, subject to the provisions of Articles 11.3 and 13.1, on such other terms as a majority of the Directors may in their discretion decide. The Directors may revoke, terminate or vary any such appointment. **Appointment of Chief Executive**
- 11.2 No person shall be elected as Chief Executive other than a person nominated by a majority of the Directors. **Nominated by Directors**
- 11.3 The Chief Executive shall receive such remuneration as determined by the Remuneration Committee. **Remuneration**
- 12 **DISQUALIFICATION AND REMOVAL OF DIRECTORS**
- 12.1 A Director shall vacate his office as Director if: **Disqualification and removal as a Director**

- 12.1.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director; or
- 12.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
- 12.1.3 he is, or may be, suffering from mental disorder and either:
  - 12.1.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or similar legislation in Scotland or outside the UK, or
  - 12.1.3.2 an order is made by a court having jurisdiction (whether in the UK or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- 12.1.4 he resigns his office by notice to the Company; or
- 12.1.5 he shall for more than 6 consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated; or
- 12.1.6 he is removed in accordance with Article 10.3; or
- 12.1.7 if, being a Director appointed by a member, he shall have been notified by such member that he ceases to be authorised to represent that member on the board of Directors of the Company; or
- 12.1.8 he ceases to be an officer of any member he is appointed to represent; or
- 12.1.9 if, being a Director appointed by a member, such member ceases to be a member; or
- 12.1.10 if being an executive officer of the Company, he ceases to be employed by the Company (but without prejudice to any claim to damages for breach of contract of service between the Director and the Company).

**13 REMUNERATION OF DIRECTORS**

13.1 The Remuneration Committee shall determine the remuneration of the Chief Executive (and any other executive officer employed by the Company). The chairman of the board of Directors shall chair the Remuneration Committee and the quorum for a meeting shall be three.

**Remuneration  
of the Chief  
Executive**

13.2 The Directors may be paid, if they so determine, all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of Directors or committees of Directors or general meetings or otherwise in connection with the discharge of their duties. **Directors may be paid expenses**

#### 14 **DIRECTORS' INTERESTS**

14.1 No person may be a Director of the Company if they have a direct or indirect interest in any contracts or arrangements with the Company, unless ALL of the following conditions are met to the complete satisfaction of the board of Directors: **Directors may not contract with the Company**

14.1.1 There is no credible risk to the good reputation of the Company the Director or any associated organisation

14.1.2 The Director informs the Company within 28 days of becoming aware of an issue, by completing and returning a "Potential Conflict of Interest" form to the Company Secretary who will immediately advise the Chairman and update a Register of Interests which will be reviewed at the next available meeting of the board of Directors

14.1.3 The Director concerned will demonstrably not participate or influence any discussions or decisions relating to themselves.

#### 15 **DIRECTORS' GRATUITIES AND PENSIONS**

15.1 Subject to the provisions of the memorandum of association of the Company, the Directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director (and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him) who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary. The Directors may also (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit. **Benefits and pensions**

#### 16 **PROCEEDINGS OF DIRECTORS**

16.1 Subject to the provisions of these Articles, the Directors may regulate their proceedings, as they think fit. Meetings of the Directors shall be held at least 4 times in every 12 month period and on such other occasions as may be necessary or desirable, provided that the Company shall give not less than 7 Clear Days' prior notice of each meeting of the Directors, to every Director. Notice shall, where appropriate, be accompanied by an agenda specifying the business to be transacted at such meeting. In an emergency (which shall be determined by a majority of the Directors) no agenda shall be necessary and only reasonable notice of the proposed meeting shall be provided to the Directors. Any Director may waive notice of a meeting and any such waiver may be retrospective. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from the UK. **Convening meetings on seven Clear Days' notice**

- 16.2 Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote. **Voting**
- 16.3 The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be a majority of the Directors then appointed. Any Director who ceases to be a Director at a Directors' meeting may continue to be present and to act as a Director and be counted in the quorum until the termination of the Directors' meeting if no other Director objects. **Quorum**
- 16.4 A person entitled to be present at a meeting of the Directors shall be deemed to be present for all purposes if he is able (directly or by telephonic communication) to speak to and be heard by all those present or deemed to be present simultaneously. A Director so deemed to be present shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where it is convened to be held or (if no Director is present in that place) where the largest group of those participating is assembled, or, if there is no such group, where the chairman of the meeting then is. The word "meeting" in these Articles shall be construed accordingly. **Meetings by telephone, etc.**
- 16.5 The Directors may appoint one of their number to be the chairman of the board of Directors and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of Directors at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within 5 minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting. **Chairman**
- 16.6 The Directors may delegate any of their powers (other than the power to borrow money) to committees including such number of Directors as they think fit. The Directors may from time to time revoke, withdraw, alter or vary all or any such powers and discharge a committee in whole or in part. The provisions of Article 9.2 shall apply. **Delegation to committees**
- 16.7 Subject to any conditions imposed on the committee by the Directors, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of Directors so far as they are capable of applying. **Committees governed by Articles**
- 16.8 A committee shall, in the exercise of the powers delegated to it:
- 16.8.1 conform to any remit or regulations that are imposed upon them by the Directors;
  - 16.8.2 have due regard to the provision of the Combined Code;
  - 16.8.3 report upon its material decisions and proceedings to the next meeting of Directors.
- Proceedings of Committees**

- 16.9 A committee may meet and adjourn as it thinks proper. The chairman of a meeting of a committee shall be appointed by the Directors. If no such chairman is appointed, or if at any such meeting the chairman of the committee is not present within 5 minutes after the time appointed for the meeting, the members of the committee present may choose one of their number to be chairman of the meeting. Questions arising at any meeting shall be determined by a majority of votes of the committee members present. In the case of equality, the person chairing the committee shall have a second or casting vote. **Voting in committee and committee chairmen**
- 16.10 All acts done by a meeting of Directors, or of a committee including Directors, or by a person acting as a Director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Director or that any of them were disqualified from holding office, or had vacated office, be valid as if every such person had been duly appointed and was qualified and had continued to be a Director. **Valid acts of Directors and committees**
- 16.11 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors. A resolution signed by an alternate Director need not also be signed by his appointor. If signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director, in that capacity. **Resolutions in writing**
- 16.12 Save as otherwise provided by the Articles, a Director shall not vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company. For the purposes of this Article, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director. **Directors power to vote on contracts in which they are interested**
- 16.13 A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote. **Not counted in the quorum**
- 16.14 The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of Directors or of a committee of Directors. **Ordinary resolution to suspend or relax voting prohibition**
- 16.15 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive. **Chairman to have final and conclusive say on Directors' right to vote**
- 17 ADVISORY COUNCIL**
- 17.1 The board of Directors shall be entitled to establish, and to dissolve, as it sees fit, an Advisory Council. **Establishing an Advisory Council**

- 17.2 The board of Directors may in its absolute discretion appoint and may remove, any Advisory Council Member subject to such rules, regulations and other terms of reference as the board of Directors may from time to time determine. **Appointments and terms of reference**
- 17.3 The board of Directors shall be entitled to require that the Advisory Council shall operate with full regard to the Advisory Council Aims and Objectives. **Compliance with agreed aims and objectives**
- 17.4 The board of Directors shall be entitled to require that each Advisory Council Member appoints an Advisory Council Representative to attend and represent it at meetings of the Advisory Council. The duly appointed Advisory Council Representative shall be such person details of whom shall have been provided by the relevant Advisory Council Member to the Secretary from time to time together with written confirmation of his or her appointment as the case may be. **Appointment of Advisory Council Representative**
- 17.5 The chairman of the board of Directors shall be entitled to attend and chair all meetings of the Advisory Council. **Chairman's attendance**
- 17.6 The Advisory Council shall meet at least twice in each calendar year (unless otherwise agreed). **Regular meetings**
- 17.7 The board of Directors, in its absolute discretion, shall be entitled to determine the rules and regulations by which the Advisory Council will operate and also shall be entitled to change or otherwise amend such rules and regulations on reasonable notice to all Advisory Council Members provided that, in the event an Advisory Council Member shall not receive notice of any such changes or other amendments, this will not prejudice their validity or effectiveness in accordance with their terms. **Rules and regulations of operation**
- 18 **SECRETARY**
- 18.1 Subject to the provisions of the Act, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them. **Appointment and removal of Secretary**
- 18.2 A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as or in place of the Secretary. **For authorisation purposes Director and Secretary to be separate persons**
- 19 **MINUTES**
- 19.1 The Directors shall cause minutes to be made in books kept for the purpose: **Minutes required to be kept**
- 19.1.1 of all appointments of officers made by the Directors; and

19.1.2 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.

## 20 THE SEAL

20.1 The seal shall only be used by the authority of a resolution of the Directors or a committee of Directors authorised by the Directors. The Directors may determine who shall sign any instrument executed under the seal. If they do not, it shall be signed by at least one Director and the Secretary or by at least two Directors.

**Authority required for execution of deed**

## 21 ACCOUNTS

21.1 The Directors shall cause proper books of account to be kept with respect to:

**Proper books of account**

21.1.1 all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;

21.1.2 all sales and purchase of goods and services by the Company; and the assets and liabilities of the Company.

Proper books of accounts shall not be deemed to be kept if they are not kept in such a way as is necessary to give a true and fair view of the affairs of the Company and to explain its transactions.

21.2 The books of account shall be kept at the registered office of the Company or, subject to section 147(3) of the Act, at such other place or places as the Directors think fit and shall always be open to the inspection of the Directors.

**Location of accounts**

21.3 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have the right of inspection of any account or book or document of the Company except as conferred by statute or authorised by the Directors.

**Rights of Inspection regarding the accounts etc.**

## 22 NOTICES

22.1 Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of the Directors) shall be in writing or shall be given using Electronic Communications to an address for the time being notified for that purpose to the person giving the notice.

**When notice required to be in writing**

In this Article and the next, "address", in relation to Electronic Communications, includes any number or address used for the purposes of such communications.

22.2 The Company may give any notice to a member:

**Method of giving notice to member**

- 22.2.1 personally; or
- 22.2.2 by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address; or
- 22.2.3 by sending it using Electronic Communication to an address for the time being supplied to the Company by the member for that purpose.
- 22.3 A member whose registered address is not within the UK and who gives to the Company an address within the UK at which notices may be given to him or an address to which notices may be sent using Electronic Communication, shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company. **Registered address not in the UK**
- 22.4 A member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called. **Deemed receipt of notice**
- 22.5 This Article applies to any notice to be given to or by any person pursuant to these Articles. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an Electronic Communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice sent by post shall be deemed given, if sent by first class post, on the day following that on which the envelope containing it was posted. **When notice by post deemed given**
- 22.6 This Article applies to any notice to be given to or by any person pursuant to these Articles. A notice sent by Electronic Communication to a member to an address supplied to the Company by the member for that purpose shall be deemed given 12 hours after the time of despatch or at such earlier time as receipt is acknowledged. A notice left at the registered address of a member shall be deemed given when delivered. **When other notices deemed given**
- 23 **WINDING UP**
- 23.1 On the winding-up and dissolution of the Company the provisions of the memorandum of association of the Company shall have effect as if repeated in these Articles. **Winding-up**
- 24 **INDEMNITY**

24.1 Subject to the provisions of the Act but without prejudice to any indemnity to which a Director may otherwise be entitled, every Director or other officer or Auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 727 of the Act in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

**Indemnity to  
Directors**