SELWOOD HOUSING SOCIETY LIMITED ARTICLES OF ASSOCIATION

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THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE ARTICLES OF ASSOCIATION OF

SELWOOD HOUSING SOCIETY LIMITED OBJECTS, POWERS AND OTHER GENERAL PROVISIONS

1 INTERPRETATION

1.1 In these Articles:-

"the Articles" means these Articles of Association of the Company;

"the Board" means the board of directors constituted as set out in Article 16;

"Chair" means the Chair appointed by the Board in accordance with Article 20.4

"the Company" means Selwood Housing Society Limited;

"the Companies Acts" means the Companies Acts (as that term is defined in section 2 of the Companies Act 2006) insofar as they apply to the Company;

"the Directors" means the members of the Board of the Company;

"Derivative Transaction" means any transaction which is a forward, swap, future, option or other derivative on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, economic indices or measures of economic risk or value, or other benchmarks against which payments or deliveries are to be made, or any combination of these transactions;

"HCA" means the Homes and Communities Agency (as defined in the Housing and Regeneration Act 2008) or successor body or bodies which assume(s) its/their regulatory and supervisory functions in relation to registered providers of social housing;

"Independent Director" means a director other than a Tenant Director or a Local Authority Director who is appointed to the Board in accordance with Article 16;

"Independent Member" means a member other than a Tenant Member;

"the Local Authority" means Wiltshire Council;

"Local Authority Director" means a Director appointed to the Board under Article 16;

"Local Authority Person" means any person who:

(i) is or has been an elected representative of the Local Authority in the preceding four years; or

(ii) is an officer of the Local Authority; or

(iii) is both an employee and either a director, manager, secretary or other similar officer of a company which is under the control of the Local Authority; or

(iv) is a person who is not now but has been a member of the Local Authority within the past four years.

"Member" means any person, body corporate or unincorporated body admitted to membership of the Company in accordance with these Articles;

"the Rules" means any Rules and byelaws adopted by the Board from time to time in accordance with Article 27;

"the Seal" means the common seal of the Company (if any);

"Secretary" means the secretary of the Company or any person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary (if any);

"Tenant" means any person occupying residential property owned or managed by the Company under a tenancy or lease or any person occupying premises as a licensee;

"Tenant Director" means a Director who is a Tenant appointed pursuant to Article 16;

"Tenant Member" means a Tenant who applies for membership and is admitted to membership of the Company;

"the United Kingdom" means Great Britain and Northern Ireland; and

"Vice Chair" means the Vice Chair of the Board appointed in accordance with Article 20.5

1.2 Except where the context otherwise requires the singular shall include the plural and vice versa and words importing one gender shall include all genders.

1.3 Subject as aforesaid, words or expressions contained in these Articles shall unless the context requires otherwise bear the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the Company.

1.4 Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

2 REGISTERED OFFICE

The registered office of the Company will be situated in England ("the Office").

3 OBJECTS

3.1 The Company has been established for the benefit of the public and the objects of the Company shall be:

3.1.1 providing houses or hostels and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means;

3.1.2 providing for aged, disabled (whether mentally or physically) or chronically sick persons in need thereof houses or hostels and any associated amenities specially designed or adapted to meet the disabilities and requirements of such persons;

3.1.3 providing services, advice or assistance upon terms appropriate to their means to aged, disabled (whether mentally or physically) or chronically sick persons in need thereof and providing any associated amenities specially designed or adapted to meet the disabilities and requirements of such persons;

3.1.4 the relief of poverty amongst the residents of the local authority areas in which the Company owns or manages housing stock;

3.1.5 the advancement of education, training or retraining, particularly among unemployed people and providing unemployed people with work experience;

3.1.6 the maintenance, improvement or provision of public amenities for the public benefit in the interests of regeneration in areas of social and economic deprivation in which the Company owns or manages housing stock; and/or

3.1.7 such other charitable purposes beneficial to the community consistent with the objects above as the Directors shall in their absolute discretion determine ("the objects").

4 POWERS

4.1 The Company shall have power to do anything that a natural or corporate person can lawfully do which is necessary or expedient in furtherance of its objects unless prohibited in these Articles.

4.2 Without limiting its general powers under Article 4.1, and only so far as is necessary or expedient to achieve its objects, the Company shall have power to:

4.2.1 purchase, acquire or dispose, take or grant any interest in property including any mortgage, charge, floating charge or other security whatsoever;

4.2.2 construct or carry out works to buildings;

4.2.3 help any charity or other body not trading for profit in relation to housing and related services;

4.2.4 borrow money or issue bonds, notes, loan stock or any other debt instrument or enter into any transaction having the effect of borrowing;

4.2.5 enter into and perform any Derivative Transaction on such terms as the Company thinks fit for the purpose of hedging or otherwise managing any treasury risk or other financial exposure of the Company;

4.2.6 invest the funds of the Company and borrow for that purpose;

4.2.7 lend money on such terms as the Company shall think fit;

4.2.8 guarantee, enter into any contract of indemnity or suretyship in relation to, or provide security for, the borrowing or performance of the obligations of any other organisation, in each case on such terms as the Company shall think fit.

5 APPLICATION OF ASSETS

The income and property of the Company shall be applied solely towards the promotion of its Objects as set out in these Articles of Association, no part shall be paid or transferred, directly or indirectly, by way of dividend, bonus, loan or otherwise to Members or Directors except that the Company may make payment:

5.1 of reasonable and proper remuneration for any services rendered to the Company by any Member, officer or employee of the Company who is not a Director;

5.2 to any Director of reasonable and proper out-of-pocket expenses or any other sums by way of remuneration (following appropriate independent advice or recommendation as to levels of remuneration) in respect of the performance of their duties. For the avoidance of doubt, a director may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the charity where that is permitted in accordance with, and subject to, the conditions of the Charities Act 2011;

5.3 of insurance premiums in respect of insurance taken out to insure Members, Directors, employees and voluntary workers;

AND PROVIDED FURTHER THAT nothing in this Article 5 shall prevent:

5.3.1 a disposal by the Company of a property whether by way of sale, lease, tenancy, licence or otherwise to any person in good faith and in pursuance of the Company's objects even though such person may be a Member and/or Director

5.3.2 the Company managing a property in accordance with its objects even though the tenant, lessee or licensee of such property may be a Member or Director;

5.3.3 a Director or Member receiving services provided by the Company in the capacity of a beneficiary of the Company's charitable objects, provided that a majority of the Directors do not benefit in this way;

5.3.4 a Director or Member taking part in the normal trading activities of the Company on the same terms as members of the public.

6 LIMITATION OF LIABILITY

The liability of the Members is limited.

7 GUARANTEE

Every Member of the Company undertakes to contribute to the assets of the Company, in the event of it being wound up while s/he is a Member or within one year after s/he ceases to be a Member, for payment of the debts and liabilities of the Company contracted before s/he ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding £1.00.

8 DISSOLUTION

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

9 EQUALITY

The affairs of the Company shall at all times be carried out in relation to all persons irrespective of race, colour, religious or political belief, ethnic or national origins, disability, age, gender, marital or civil partnership status or sexual orientation.

10 MEMBERS

10.1.1 The Members of the Company shall be the Directors from time to time together with such persons, body corporate or unincorporated body as are admitted to membership by the Board in accordance with any Rules adopted by the Board. The Board shall designate each such member as a Tenant Member or an Independent Member. The decision of the Board as to the designation of the Members shall be final and binding.

11 CESSATION OF MEMBERSHIP

11.1 A Member that is also a Board Member shall automatically cease to be a Member when he/she ceases to be a Board Member.

11.2 A Member may resign from the Company by giving written notice to the Secretary and shall cease to be a Member from the date of receipt of such notice.

11.3 A Member may be removed from the Company by a resolution passed by a majority of at least three quarters of the votes cast at a general meeting of which not less than twenty eight clear days' notice has been sent to the Member concerned and to all other Members. The notice shall specify the intention to propose such resolution and include the grounds on which it is proposed. The Member whose removal is proposed or their representative shall be entitled to be heard by the meeting.

11.4 A Member's rights are personal, may not be transferred and shall automatically cease if the Member becomes insolvent, bankrupt, incapable, dies or is wound up.

11.5 A Tenant Member who ceases to be a Tenant shall automatically cease to be a Member.

11.6 An Independent Member may not be a Tenant and an Independent Member who becomes a Tenant shall automatically cease to be an Independent Member but may apply to become a Tenant Member.

11.7 The cessations referred to in Articles 11.1, 11.3, 11.4, 11.5 and 11.6 shall take place upon the occurrence of the events set out herein and without any notice being given to the Member concerned.

12 GENERAL MEETINGS

12.1 The Company shall hold an annual general meeting each year in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting shall be held at such time and places as the Directors shall appoint. All general meetings other than annual general meetings shall be called extraordinary general meetings.

12.2 The Directors may call general meetings and, on the requisition of Members pursuant to a right under the provisions of the Companies Acts, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition.

13 NOTICE OF GENERAL MEETINGS

13.1 General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of Members having a right to attend and vote, being a majority together holding not less than 90 per cent of the total voting rights at the meeting of all the Members.

13.2 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.

13.3 The notice shall be given to all the Members and to the Directors and auditors.

13.4 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.

14 PROCEEDINGS AT GENERAL MEETINGS

14.1 General meetings can take place in any manner and through any medium (including electronically) which permits those attending to hear and comment on the proceedings. Any person who attends in this manner will be deemed to count towards the quorum of the meeting and may vote as such (and may exercise any rights as a proxy) whether or not all people are assembled in one place.

14.2 No business shall be transacted at any general meeting unless a quorum is present. A quorum shall consist of five persons including not less than:

14.2.1 one Tenant Member or a duly authorised representative of a Tenant Member which is an organisation; and

14.2.2 one Independent Member or a duly authorised representative of an Independent Member which is an organisation.

14.3 If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting 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, and if at the adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, the Members present shall constitute a quorum.

14.4 The Chair or Vice Chair or in their absence some other Director nominated by the Directors shall preside as Chair of the meeting, but if no such person be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be Chair and, if there is only one Director present and willing to act, s/he shall be Chair.

14.5 If no Director is willing to act as Chair, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be Chair.

14.6 A Director shall, notwithstanding that s/he is not a Member, be entitled to attend and speak at any general meeting.

14.7 The Chair 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, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven 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.

14.8 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. No resolution shall be passed unless a majority of votes (whether in poll or on a show of hands and including any casting vote) are cast in favour of such resolution. Subject to the provisions of the Companies Acts, a poll may be demanded:

14.8.1 by the Chair; or

14.8.2 by at least two Members having the right to vote at the meeting; or

14.8.3 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.

14.9 Unless a poll is duly demanded a declaration by the Chair 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.

14.10 The demand for a poll may be withdrawn before the poll is taken, but only with the consent of the Chair. The withdrawal of a demand for a poll shall not invalidate the result of a show of hands declared before the demand for the poll was made.

14.11 A poll shall be taken as the Chair directs and s/he may appoint scrutineers (who need not be members) and fix a time and place for declaring the results of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

14.12 In the case of an equality of votes, whether on a show of hands or on a poll, the Chair shall be entitled to a casting vote in addition to any other vote s/he may have, except where the Chair is a Local Authority Person in which case they shall not be entitled to a casting vote.

14.13 A poll demanded on the election of a Chair or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken either immediately or at such time and place as the Chair directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent continuance of a meeting for the transaction of any business other than the question on which the poll is 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.

14.14 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In other cases at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

15 VOTES OF MEMBERS

15.1 On any resolution in general meeting 100 votes shall be available to the Members present in person or by proxy of which:

15.1.1 the Tenant Members shall between them be entitled to cast a total of 50 votes;

15.1.2 the Independent Members shall between them be entitled to cast a total of 50 votes.

15.2 Votes exercisable by the Tenant Members and the Independent Members shall be counted for and against the resolution in the proportions for and against actually cast by each of the Tenant Members and the Independent Members who are present and voting at the meeting in person or by proxy respectively. The Secretary shall make arrangements for such Tenant Members and Independent Members to vote on the resolution in their separate classes and shall, for each of the two classes, count the numbers of votes in favour and against the resolution and shall notify the meeting of the totals and therefore the manner in which the 50 votes exercisable by the Tenant Members and the 50 votes exercisable by the Independent Members shall have been cast.

15.3 No Member shall be entitled to vote at any general meeting unless all moneys then payable by him or her to the Company excluding rents and service charges have been paid.

15.4 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 Chair whose decision shall be final and conclusive.

15.4.1 All Members shall be entitled to exercise their vote on a poll by proxy. A Member may appoint one person who must be a Member of the Company to act as his or her proxy. An appointment of a proxy shall be made in writing and the appointment shall not be valid unless it is deposited at the Office not less than 48 hours before the time fixed for the commencement of the meeting to which it relates.

15.4.2 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer.

15.4.3 A vote given or poll demanded by the duly authorised representative of a Member organisation 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 at the Office 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.

15.4.4 Any organisation which is a Member of the Company may by resolution of its governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the organisation which s/he represents as the organisation could exercise if it were an individual Member of the Company. Any such authorisation shall be notified to the Secretary in writing.

15.4.5 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 or she was present, shall be as effectual as if it had been passed at a general meeting duly convened and held, and may consist of several instruments in the like form each executed by or on behalf of one or more Members.

16 DIRECTORS

16.1 There shall be a Board consisting of up to 12 Directors as the Board shall decide from time to time. Of these Directors:

16.1.1 up to 24% of the total number of Directors at any time shall be Local Authority Persons, but in the event the number of the Local Authority Directors exceeds this 24% limit then the Board must use reasonable endeavours to comply with this Article by removing Local Authority Directors or appointing Tenant Directors, as the Board feels appropriate;

16.1.2 one-third shall be Tenants;

16.1.3 the remaining Directors shall be Independent Directors.

16.2 Local Authority Directors and Tenant Directors will be appointed by the Board after an open interview process and in accordance with any Rules adopted by the Board from time to time under Article 27.

16.3 Independent Directors shall be appointed by the Members in accordance with any Rules adopted by the Board from time to time under Article 27.

16.4 A person who is appointed as a Director shall remain in office for a fixed period of 3 years unless the Board set a shorter term of office prior to appointment but shall be capable of reappointment subject to Article 16.5.

16.5 No Director shall be permitted to remain in office for more than three consecutive terms except in exceptional circumstances as approved by the Board.

16.6 A Director shall cease to be a Director if s/he:

16.6.1 becomes bankrupt or makes any arrangement or composition with his or her creditors;

16.6.2 becomes prohibited by law from being a Director or charity trustee;

16.6.3 becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her property and affairs;

16.6.4 has been convicted of any criminal act or omission (other than a conviction which is spent in accordance with the provisions of the Rehabilitation of Offenders Act 1974) unless the Board determines otherwise;

16.6.5 was a Tenant at the date he or she became a Director and ceases to be a Tenant;

16.6.6 is a Tenant and is the subject of an order for possession of the property of which he or she is the Tenant;

16.6.7 is a Tenant Director and is or becomes a Local Authority Person or is an Independent Director and is or becomes a Tenant or a Local Authority Person;

16.6.8 resigns from office by giving written notice to the Company;

16.6.9 is removed by a resolution of the Board at a meeting at which at least three quarters of all the other Directors present vote in favour of the resolution;

16.6.10 is in material breach of his or her duties under the Companies Acts or Non- Executive Board Member Agreement (being a breach which, if capable of remedy, has not been remedied within 28 days of written notice being given by the Chair to remedy such breach) and the Board resolves by majority vote that the appointment of the Director shall cease;

16.6.11 fails to attend 80 per cent of the meetings of the Board (including meetings of any relevant committee of the Board, the Annual General Meeting and any annual Board strategy meeting) within a period of 12 months without a reasonable excuse and the Board resolves by majority vote that the appointment of the Director shall cease;

16.6.12 dies;

16.7 A Director may be suspended by a majority vote of the Board for the investigation or as a consequence of any alleged misconduct or breach of duties or responsibilities by the Director, or as provided by the Rules in the event of any arrears or other dispute between the Director and the Company. Suspension means that the Director concerned will be removed as a Director, on terms that the Director will be re-appointed to the Board to continue their term of office on expiry of a period of suspension determined by way of sanction or if on conclusion of the dispute or investigation into the alleged breach or other failing, the Board is satisfied that there has been no material breach of their obligations as a Director by the Director concerned. The period of suspension shall count as part of the term of office of the Director concerned for the purpose of calculating any retirement by rotation and maximum length of service.

17 POWERS OF DIRECTORS AND DIRECTORS INTERESTS

17.1 The Company will maintain a register of the interests of its Directors and Directors shall be obliged to enter into the register particulars of any matter relevant to the affairs of the Company

17.2 Directors will draw attention to any pecuniary or personal interest, whether that interest has previously been registered or not

17.3 Directors must ensure that their private or personal interests do not influence their decisions, and that they do not use their position to obtain personal gain of any sort.

17.4 When the Board discusses an item which poses a possible conflict of interest for any Director, that Director must declare the nature and extent of that interest to the other Directors.

17.5 Paragraphs 17.6 to 17.12 of this Article apply only in relation to conflicts of interests:

17.5.1 arising because of a duty of loyalty owed to another organisation or person and not involving a direct or indirect benefit to a Director or to a connected person; or

17.5.2 arising merely because a Director is a Tenant of the Company or a Local Authority Person and the matter in which a conflict may arise does not concern the Director more particularly than members of that class generally.

17.6 If they consider that it is in the best interests of the Company to do so, the Directors may authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest (‘Conflict’).

17.7 Any authorisation under this article will be effective only if:

17.7.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these articles or in such other manner as the Directors may determine;

17.7.2 the decision to give the authorisation is made by Directors who are not conflicted; and

17.7.3 the matter was agreed to without the Director subject to the conflict voting or would have been agreed to if his vote had not been counted.

17.8 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

17.8.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the Conflict so authorised;

17.8.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine;

17.8.3 be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

17.9 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the company and in respect of which he owes a duty of confidentiality to another person the Director is under no obligation to:

17.9.1 disclose such information to the Directors or to any Director or other officer or employee of the company;

17.9.2 use or apply any such information in performing his duties as a Director;

17.9.3 where to do so would amount to a breach of that confidence.

17.10 Where the Directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authorisation or subsequently) that the Director:

17.10.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

17.10.2 is not given any documents or other information relating to the Conflict;

17.10.3 may not vote (or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.

17.11 Where the Directors authorise a Conflict:

17.11.1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict;

17.11.2 the Director will not infringe any duty he owes to the company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

17.12 A Director shall not be deemed to have a conflict of interest for the purpose of these Articles or the Companies Act 2006 simply because he/ she is a director of a subsidiary of the Company.

17.13 Subject to the provisions of the Companies Acts and the Articles and to any directions given by resolution of the Members, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given.

17.14 The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all the powers exercisable by the Directors.

17.15 The Directors shall comply at all times with any codes of conduct adopted by the Company or by the Directors.

17.16 In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under the Articles the Directors shall have the following powers, namely:

17.16.1 to expend the funds of the Company in such manner as they shall consider most beneficial for the achievement of its objects and to invest in the name of the Company such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the objects of the Company;

17.16.2 to enter into contracts on behalf of the Company.

17.16.3 to exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and to grant any mortgage, charge or other security over its undertaking and property, or any part thereof, and to issue any debenture, whether outright or as security for any debt, liability obligation of the Company or any third party PROVIDED THAT in exercising the power to grant security, the Company and its Directors must comply as appropriate with the Charities Act 2011.

18 DIRECTORS' EXPENSES AND REMUNERATION

18.1 Subject to the provisions of Article 5, the Directors may be paid all reasonable 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 subject to the production of satisfactory receipts

18.2 The remuneration of Directors shall be reviewed once every three years. The Board shall prepare proposed remuneration arrangements in accordance with its governance manual. Increases to remuneration shall be subject to independent advice or recommendation as to payment levels and any changes in remuneration shall not take effect until approved by the

Company in General Meeting. Increases to Directors' remuneration shall not take effect more frequently than once every three years.

19 DIRECTORS' APPOINTMENTS

Except to the extent permitted by Article 5, no Director shall take or hold any interest in property belonging to the Company or receive remuneration or be interested otherwise than as a Director in any other contract to which the Company is a party.

20 PROCEEDINGS OF DIRECTORS

20.1 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit and may adopt standing orders and codes of conduct governing their affairs. A Director may, and the Secretary at the request of a Director shall, call a meeting of the Directors. It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. Each Director shall have one vote save that in the case of an equality of votes, the Chair shall have a second or casting vote.

20.2 The quorum for the transaction of the business of the Directors may be fixed by the Directors but shall not be less than five.

20.3 The Directors may act notwithstanding any vacancies in their number, but, if the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting.

20.4 The Directors shall appoint one of their number to be the Chair and such person shall serve as Chair of the Company for a term of three years unless the Board set a shorter term prior to appointment or until a resolution of the Directors for his or her removal from that office is passed.

20.5 At the same meeting the Directors shall appoint a Vice Chair, to serve until the date of the third Annual General Meeting following his or her appointment or until a resolution of the Directors for his or her removal from that office is passed.

20.6 No person may hold the position of Chair for more than 6 years in total, whether held continuously or not.

20.7 The Director appointed as Chair or in his or her absence the Vice Chair appointed by the Directors shall preside at every meeting of Directors and of the members of the Company at which he or she is present. If there is at any time no Chair or Vice Chair, or if the Directors appointed as Chair and Vice Chair are not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be Chair of the meeting.

20.8 The duties of the Chair shall be as set out in in a written document and agreed by the Board.

20.9 The duties of the Vice Chair shall be to deputise for the Chair in his or her absence and to carry out such other functions as the Board may from time to time agree.

20.10 The Board may delegate any powers under written terms of reference to committees or to officers or employees of the Company or any subsidiary of the Company. Those powers shall be exercised in accordance with any written instructions given by the Board. The membership of any committee shall be determined by the Board. Every committee shall include at least one Director. All acts and proceedings of any committees shall be fully and promptly reported to the Board and any such committee shall operate within and not exceed any budget for its own expenditure previously agreed with the Board.

20.11 The chief executive of the Company shall, and any other person may by invitation, attend and participate in discussions at meetings of the Board in a non-voting capacity.

20.12 All acts done by a meeting of Directors, or of a committee of Directors, 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, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

20.13 A resolution in writing, signed or confirmed electronically by a majority of the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors, shall be as valid and effective as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held. Such a resolution may consist of several documents in the same form, each signed or confirmed electronically by one or more of the Directors. For the avoidance of doubt, a resolution of a meeting of Directors or of a committee of Directors shall only be valid and effective if passed in writing in accordance with this Article or at a meeting or committee meeting (as the case may be) where Directors are either physically present or (by prior agreement with the Chair of the meeting) attending the meeting by conference telephone or similar means whereby each Director can hear and address each other Director.

21 SECRETARY

The Board may appoint a Secretary for such term, and upon such conditions as they may think fit; and any Secretary so appointed may be removed by them.

22 MINUTES

22.1 The Directors shall keep minutes in books kept for the purpose:

22.1.1 of all appointments of officers made by the Directors; and

22.1.2 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.

23 THE SEAL

The Seal shall only be used by the authority of the Directors or of a committee of Directors and other persons authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by some other person appointed by the Board for that purpose.

24 ACCOUNTS

Accounts shall be prepared in accordance with the provisions of the Companies Acts and with the requirements of the HCA or any other regulatory body to which the Company shall be subject.

25 NOTICES

25.1 Any notice to be given to or by any person pursuant to the Articles shall be sent or supplied in any way in which the Companies Acts provide. For the avoidance of doubt, a notice calling a meeting of the Directors need not be in writing.

25.2 The Company may give any notice to a Member either personally or by sending it by post in a prepaid envelope addressed to the Member at his or her registered address or by leaving it at that address or by electronic delivery. A Member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him or her shall be entitled to have notices given to him or her at that address, but otherwise no such Member shall be entitled to receive any notice from the Company.

25.3 A Member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

25.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

26 INDEMNITY

Subject to the provisions of the Companies Acts 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 or her in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in his or her favour or in which he 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.

27 RULES

27.1 The Board may from time to time make such Rules or bye laws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company and for the purposes of prescribing classes of and conditions of membership, and in particular but without prejudice to the generality of the foregoing, they may by such Rules or bye laws regulate:

27.1.1 the admission and classification of Members of the Company (including the admission of organisations to membership) and the rights and privileges of such Members, and the conditions of membership and the terms on which Members may resign or have their membership terminated and the entrance fees, subscriptions and other fees or payments to be made by members;

27.1.2 the conduct of Members of the Company in relation to one another, and to the Company's servants;

27.1.3 the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;

27.1.4 the procedure at general meetings and meetings of the Board and committees of the Board, including the appointment of Directors, in so far as such procedure is not regulated by the Articles;

27.1.5 generally, all such matters as are commonly the subject matter of company rules.

27.2 The Company in general meeting shall have power to alter, add to or repeal the Rules or bye laws and the Directors shall adopt such means as they think sufficient to bring to the notice of Members of the Company all such Rules or bye laws, which shall be binding on all Members of the Company. Provided that no rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the Articles and further provided that such Rules or by-laws shall be subject to the approval of the HCA from time to time.

28 ALTERATIONS

28.1 The provisions of the Articles of Association of the Company may be amended only by a resolution agreed by:

28.1.1 not less than three-quarters of the Members present and voting at a meeting for the purpose of considering the resolution of which not less than 21 clear days' notice shall have been given ; and

28.1.2 not less than three-quarters of the Board of Directors for the time being.