



## **Tower Hamlets Homes Limited**

### **Articles of Association**

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Company number: 06249790

Private company limited by Guarantee

## Articles of association

of

## Tower Hamlets Homes Limited

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### 1 Model articles not to apply

The model articles of association for private companies limited by guarantee contained in Schedule 2 to the Companies (Model Articles) Regulations 2008, as amended prior to the date of adoption of these Articles shall not apply to the company. References to **the articles** shall be to the following articles of association as amended from time.

### 2 Defined terms

2.1 In the articles, unless the context requires otherwise:

**1989 Act** means means the Local Government and Housing Act 1989 as amended or reenacted from time to time;

**articles** means the company's articles of association;

**board** means the board of directors of the company from time to time;

**bankruptcy** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

**chair** has the meaning given in article 17;

**chair of the meeting** has the meaning given in article 0;

**Companies Acts** means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

**Company Secretary** means the secretary of the company, if any, appointed in accordance with article 27 or any other person appointed to perform the duties of the secretary of the company, including a joint, assistant or deputy secretary;

**director** means a director of the company, and includes any person occupying the position of director, by whatever name called;

**document** includes, unless otherwise specified, any document sent or supplied in electronic form;

**electronic form** has the meaning given in section 1168 of the Companies Act 2006;

**Interested Director** has the meaning given to it in article 20 and 'Interested Directors' shall be construed accordingly;

**member** has the meaning given in section 112 of the Companies Act 2006;

**Order** means the Local Authorities (Companies) Order 1995 as amended or re-enacted from time to time;

**ordinary resolution** as the meaning given in section 282 of the Companies Act 2006;

**Parent** means London Borough of Tower Hamlets or any successor body thereto;

**participate**, in relation to a directors' meeting, has the meaning given in article 15;

**proxy notice** has the meaning given in article 38;

**special resolution** has the meaning given in section 283 of the Companies Act 2006;

**subsidiary** has the meaning given in section 1159 of the Companies Act 2006;

**writing** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise; and

**working day** means any day, which is not a Saturday, Sunday or a statutory or public holiday and 'working days' shall be construed accordingly.

2.2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

### **3 Liability of members**

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the company in the event of its being wound up while that member is a member or within one year after that member ceases to be a member, for:

3.1 payment of the company's debts and liabilities contracted before that member ceases to be a member;

3.2 payment of the costs, charges and expenses of winding up, and

3.3 adjustment of the rights of the contributories among themselves.

### **4 Objects**

The company's objects are in the areas where London Borough of Tower Hamlets (**LBTH Council**) own or manage housing stock to:

4.1 manage, maintain, improve, redevelop or convert the housing stock owned or managed by LBTH Council from time to time together with any other amenities or facilities for the benefit of residents of such housing stock either exclusively or together with persons who are not residents of such housing stock;

- 4.2 provide amenities and services of any description for residents of housing stock owned or managed by LBTH Council from time to time either exclusively or together with persons who are not residents of such housing stock:
- 4.3 provide advice and assistance to all tenants, leaseholders, and licensees, of LBTH Council Housing Stock, and to applicants for housing advice in respect of LBTH Council housing stock;
- 4.4 carry out any activity which contributes to the regeneration or development in the area of LBTH (within the meaning of Section 126 of the Housing Grants Construction and Regeneration Act 1996) including but not limited to:
  - 4.4.1 securing that land and buildings are brought into effective use;
  - 4.4.2 contributing to or encouraging economic development;
  - 4.4.3 creating an attractive and safe environment;
  - 4.4.4 preventing crime or reducing the fear of crime;
  - 4.4.5 providing or improving housing or social and recreational facilities for the purpose of encouraging people to live or work in the said area or for the purpose of benefiting people who live there;
  - 4.4.6 providing employment for local people;
  - 4.4.7 providing or improving training, educational facilities or health services for local people;
  - 4.4.8 assisting local people to make use of opportunities for education, training or employment;
  - 4.4.9 meeting the special needs of local people which arise because of disability or because of their sex or the racial group to which they belong;
  - 4.4.10 improving or managing housing to be kept available for letting or hostels;
  - 4.4.11 providing, managing, maintaining or improving accommodation required from time to time for the benefit of persons who require temporary accommodation;
  - 4.4.12 providing services of any description for LBTH Council;
  - 4.4.13 assessing applicants for housing assistance;
  - 4.4.14 assessing applications by residents of housing stock owned or managed by LBTH Council to exercise the right to buy under Part V of the Housing Act 1985; and
  - 4.4.1 enabling or assisting any residents of the housing stock owned or managed by either LBTH Council to acquire, or to acquire and enter into occupation of, houses.

## **5 Powers**

- 5.1 Subject to Article 5.3 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 by these Articles.
- 5.2 Subject to Article 5.3 and without limiting the powers described in Article 5.1 the Company shall have power to:
- 5.2.1 carry outworks to land, buildings or other property;
  - 5.2.2 contract with the Council in furtherance of its objects;
  - 5.2.3 subject to the prior written consent of the Council and to such consents as may be required by law to borrow money, issue loan stock or raise money in such manner as the Company shall think fit and to secure the repayment of any money borrowed raised or owing by such security as the Company shall see fit (including by way of floating charge) upon the whole or any part of the Company's property or assets (whether present or future) and also by giving similar security to secure and guarantee the performance by the Company of any obligation or liability it may undertake or which may become binding on it;
  - 5.2.4 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 insurance;
  - 5.2.5 insure and arrange insurance cover for and to indemnify its employees and voluntary workers and the Council 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 Board Members 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 Board Member or Board Members knew or ought reasonably to have known was a breach of duty or trust or which was committed by such Board Member or Board Members recklessly without due regard as to whether such act or omission might be a breach of duty or trust;
  - 5.2.6 subject to the prior written consent of the Council invest any monies of the Company not immediately required for the furtherance of its objects as it determines and as permitted by law;
  - 5.2.7 subject to such consents as may be required by law and compliance with all formal guidance issued by the Company's regulators (if any) to purchase or otherwise acquire or to encourage or promote and in any way support or aid the establishment and development of any subsidiary, or any other body established for the purposes of carrying on any trade or business either for the purpose of raising funds for the Company or for the furtherance of the objects of the Company;

- 5.2.8 subject to the prior written consent of the Council make grants or provide services or assistance to such persons and organisations not being a political party and on such terms as the Company shall think fit to further the objects of the Company
- 5.2.9 Subject to the prior written consent of the Council to amalgamate or enter into partnership or into any consortium or arrangement for sharing of funding or profits, co-operation or joint venture with any person or company carrying on or engaged in or about to carry on or engage in any operation capable of being conducted so as directly or indirectly to benefit the Company.

Provided that in case the company shall take or hold any property which may be subject to any trusts, the company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.

### **5.3 Limitations**

The company shall not, without the prior written consent of the Parent, have the power to:

- 5.3.1 receive a sum which, if it were a local authority, would be a capital receipt;
- 5.3.2 receive consideration to which, if it were a local authority, Section 61 of the 1989 Act would apply;
- 5.3.3 receive a sum by way of grant from a European Union institution to which, if it were a local authority. Section 63(4) of the 1989 Act would apply;
- 5.3.4 enter into a credit transaction (as defined by Article 12(2) of the Order);
- 5.3.5 with respect to a credit transaction agree to a variation of terms which, if it were a local authority, would be a variation within the meaning of Section 51(1) of the 1989 Act;
- 5.3.6 incur additional liabilities within the meaning of Article 16 of the Order;
- 5.3.7 reduce its liabilities within the meaning of Article 16 of the Order; or
- 5.3.8 cause the same or similar effect under the provisions of the Local Government Act 2003 and Regulations thereunder to the extent that the said Act replaces the provisions rehearsed in sub-articles 5.3.1 to 5.3.7 above and in particular the company shall not do any act or thing which does or might cause the Parent to be in breach of CIPFA Prudential Code of Capital Finance in Local Authorities.

### **6 Not for Profit**

The company is not established or conducted for private gain, any profits or assets are used principally to further its objects.

### **7 Application of income and property**

- 7.1 The property and income of the company must be applied towards the promotion of its objects and cannot be used for the direct or indirect private benefit of members of the company. No part of such property and income may be paid or transferred, directly or

indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to members of the company.

7.2 No director shall be appointed to any office of the company paid by salary or fees or receive any remuneration or other benefit or money or money's worth from the company provided that nothing in this article 7 prevents any payment in good faith by the company:

7.2.1 of reasonable remuneration to any member who is an officer or employee of the company (not being a director) or who otherwise provides any services to the company;

7.2.2 of interest on money lent by any member of the company at a reasonable and proper rate per annum to be selected by the directors;

7.2.3 of reasonable rent for premises demised or let by any member of the company;

7.2.4 to any director of expenses under article 26 **provided that** no sum shall be paid to a director who is an elected member of the Parent; or

7.2.5 of any premium in respect of any such insurance as is permitted by article 48.

7.3 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 not be paid to or distributed among the members of the company generally, but shall be given or transferred to the Housing Revenue Account as defined in the Local Government and Housing Act 1989 as amended or reenacted from time to time) of the Parent.

## **8 Directors' general authority**

Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

## **9 Members' reserve power**

9.1 The members may, by special resolution, direct the directors to take, or refrain from taking, specified action.

9.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## **10 Directors may delegate**

10.1 Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:

10.1.1 to such person or committee;

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

10.1.3 to such an extent;

10.1.4 in relation to such matters or territories; and

10.1.5 on such terms and conditions,  
as they think fit.

10.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

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

## **11 Committees**

11.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

11.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **12 Directors to take decisions collectively**

12.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 13.

12.2 If:

12.2.1 the company only has one director, and

12.2.2 no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

## **13 Unanimous decisions**

13.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.

13.2 Such a decision may take the form of a resolution in writing, which may consist of several copies each signed by one or more eligible directors or to which the eligible directors have otherwise indicated agreement in writing.

13.3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

13.4 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

## **14 Calling a directors' meeting**

14.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the Company Secretary (if any) to give such notice.

14.2 Notice of any directors' meeting must indicate:

- 14.2.1 its proposed date and time;
  - 14.2.2 where it is to take place; and
  - 14.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 14.3 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 14.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting. A director may waive the requirement that notice of a meeting of the directors or of a committee of the directors be given to that director at any time before or after the date on which the meeting is held by notifying the company to that effect. Where a director gives such notice after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **15 Participation in directors' meetings**

- 15.1 Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 15.1.1 the meeting has been called and takes place in accordance with the articles, and
  - 15.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 15.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 15.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **16 Quorum for directors' meetings**

- 16.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

**16.2 The quorum for the transaction of business of the directors shall be one (1).**

## **17 Chairing of directors' meetings**

- 17.1 The Executive of the Council shall nominate a director as the Chair of the Board and may at any time remove the chair of the board from that office.
- 17.2 The person so appointed for the time being is known as the chair.
- 17.3 The Parent may require the directors to terminate the chair's appointment at any time upon giving written notice to the company.
- 17.4 If the chair is not participating in a directors' meeting within five minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

## **18 Casting vote**

- 18.1 If the numbers of votes for and against a proposal are equal, the chair or other director chairing the meeting has a casting vote.
- 18.2 But this does not apply if, in accordance with the articles, the chair or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

## **19 Conflicts of interest**

- 19.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, then provided that the director has disclosed his interest in such actual or proposed transaction or arrangement with the company in accordance with the Companies Acts or the provisions of these articles and received authorisation in accordance with articles 20.1 and 20.4, that director may be counted as participating in the decision-making process for quorum and voting purposes in respect of any such matter in which the director is in any way interested, and shall not, save as otherwise agreed, be accountable to the company for any benefit which the director derives under or in consequence of any such transaction or arrangement.
- 19.2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 19.3 Subject to 19.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair whose ruling in relation to any director other than the chair is to be final and conclusive.
- 19.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair, the question is to be decided by a decision of the directors at that meeting, for which purpose the chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## **20 Authorisation of directors' conflicts of interest**

- 20.1 For the purposes of section 175 of the Companies Act 2006, as amended, consolidated or re-enacted from time to time, the directors shall have the power to authorise any relationship, situation or other matter which would or might otherwise constitute or give rise to a breach by a director of the duty to avoid conflicts of interest set out in that section of the Companies Act 2006 (a **Conflict Situation**). Any reference in these articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 20.2 For the purposes of sections 175 and 180(4) of the Companies Act 2006 and for all other purposes, it is acknowledged that a director may be or become subject to a Conflict Situation or Conflict Situations as a result of his also being or having been (or being party to an agreement or arrangement or understanding or circumstances under which the director may become) an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or a direct or indirect investor in and/or otherwise involved with or interested in, any of the Parent, the company, its subsidiaries, any of its members or any subsidiary of any of its members.

- 20.3 No director shall be in breach of the duty to avoid conflicts of interest in section 175 of the Companies Act 2006 as a result of, and no authorisation is required in respect of, any Conflict Situation envisaged by article 19.2 having arisen or existing in relation to that director.
- 20.4 Authorisation of a matter under this article 20 shall be effective only if:
- 20.4.1 the matter in question shall have been proposed in writing for consideration by the directors, or in such other manner as the directors may determine;
  - 20.4.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question and any other Interested Director (together, the **Interested Directors**); and
  - 20.4.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
- 20.5 Unless otherwise determined by the directors (excluding the Interested Directors), any authorisation of a matter under this article 20 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.
- 20.6 Any authorisation of a matter under this article 20 shall be on such terms and/or conditions as the directors (excluding the Interested Directors) may determine, whether at the time such authorisation is given or subsequently and may be varied or terminated by the directors (excluding the Interested Directors) at any time. Such terms or conditions may include (without limitation) terms and conditions as to the duration, renewal and/or revocation of the authorisation, and/or the exclusion of the Interested Directors from all information and discussion of the matter in question. A director shall comply with any obligations imposed on that director by the directors (excluding the Interested Directors) pursuant to any such authorisation.
- 20.7 If a director receives or has received any information otherwise than by virtue of his position as a director of the company and in respect of which the director owes a duty of confidentiality to another person, the director is under no obligation to:
- 20.7.1 disclose any such information to the company, the directors or any other director or employee of the company; or
  - 20.7.2 use or apply any such information in connection with the performance of his duties as a director;
- provided that to the extent that such duty of confidentiality arises out of a situation or relationship which would or might otherwise constitute or give rise to a breach by the director of the duty to avoid conflicts of interest set out in section 175 of the Companies Act 2006, this article 20.7 shall apply only if such situation or relationship has been authorised by the directors under this article 20.
- 20.8 A director shall not, save as otherwise agreed by that director, be accountable to the company for any benefit which the director (or a person connected with that director) derives from any matter authorised by the directors under this article and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such benefit.

## **21 Records of decisions to be kept**

21.1 The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the meeting, appointment and/or decision recorded (as applicable), of:

21.1.1 all proceedings at meetings of the directors and of committees of the board including the names of the directors present at each such meeting;

21.1.2 all appointments of officers made by the board; and

21.1.3 every unanimous or majority decision taken by the directors.

## **22 Directors' discretion to make further rules**

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

## **23 The board**

Unless otherwise determined by ordinary resolution, the number of directors is not subject to any maximum and the minimum number is one (1).

## **24 Appointment and removal of directors**

24.1 Notwithstanding any other provision of these articles, the Parent may at any time and from time to time:

24.1.1 appoint any person to be a director (provided that any such appointment does not cause the number of directors to exceed a number fixed by or in accordance with these articles as the maximum number of directors); and/or

24.1.2 remove any director from office.

24.2 Every such appointment or removal shall be effected by notice in writing to the company and shall take effect immediately (or on such later date, if any, specified in the notice). Any such notice of appointment or removal may consist of several documents in similar form, each signed by or on behalf of one or more holders.

24.3 In any case where, as a result of death, the company has no members and no directors, the personal representatives of the last member to have died have the right, by notice in writing, to appoint a person to be a director.

24.4 For the purposes of 24.3 where 2 or more members die in circumstances rendering it uncertain who was the last to die, a younger member is deemed to have survived an older member.

## **25 Termination of director's appointment**

A person shall be ineligible for appointment to the board and if already appointed ceases to be a director as soon as:

25.1 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;

- 25.2 that person has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated;
- 25.3 a bankruptcy order is made against that person;
- 25.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
- 25.5 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- 25.6 notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms'
- 25.7 that person is an employee of any member of the company and ceases to be employed as such for any reason;
- 25.8 that person is removed by the Parent by a notice in writing to the company; or
- 25.9 that person is or becomes a person disqualified from elected membership of a local authority.

## **26 Directors' expenses**

The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:

- 26.1 meetings of directors or committees of directors; or
- 26.2 general meetings;
- 26.3 separate meetings of the holders of debentures of the company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company **provided that** no sum shall be paid to a director who is an elected member of the Parent in excess of that permitted by the Order.

## **27 Company secretary**

The directors may appoint a Company Secretary for such term, at such remuneration and upon such conditions as they think fit. Any Company Secretary may be removed or replaced by the directors.

## **28 Applications for membership**

No person (other than the Parent) shall become a member of the company unless:

- 28.1 that person has completed an application for membership in a form approved by the Parent, and

28.2 the Parent has approved the application.

## **29 Termination of membership**

29.1 A member may withdraw from membership of the company by giving 7 days' notice to the company in writing.

29.2 Membership is not transferable.

29.3 A person's membership terminates when that person dies or ceases to exist.

## **30 Attendance and speaking at general meetings**

30.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

30.2 A person is able to exercise the right to vote at a general meeting when:

30.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

30.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

30.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

30.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

30.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

## **31 Quorum for general meetings**

No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum. A duly appointed representative of the Parent shall constitute a quorum.

## **32 Chairing general meetings**

32.1 If the directors have appointed a chair, the chair shall chair general meetings if present and willing to do so.

32.2 If the directors have not appointed a chair, or if the chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

32.2.1 the directors present, or

32.2.2 (if no directors are present), the meeting,

must appoint a director or member to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

32.3 The person chairing a meeting in accordance with this article is referred to as "the chair of the meeting".

### **33 Attendance and speaking by directors and non-members**

33.1 Directors may attend and speak at general meetings, whether or not they are members.

33.2 The chair of the meeting may permit other persons who are not members of the company to attend and speak at a general meeting.

### **34 Adjournment**

34.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.

34.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if:

34.2.1 the meeting consents to an adjournment, or

34.2.2 it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

34.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.

34.4 When adjourning a general meeting, the chair of the meeting must:

34.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and

34.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

34.5 If a general meeting is adjourned, then notice of the time and place to which it is adjourned shall be given:

34.5.1 to the same persons to whom notice of the company's general meetings is required to be given; and

34.5.2 containing the same information which such notice is required to contain.

34.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

### **35 Voting: general**

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

## **36 Errors and disputes**

36.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

36.2 Any such objection must be referred to the chair of the meeting whose decision is final.

## **37 Poll votes**

37.1 A poll on a resolution may be demanded:

37.1.1 in advance of the general meeting where it is to be put to the vote, or

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

37.2 A poll may be demanded by:

37.2.1 the chair of the meeting;

37.2.2 the directors;

37.2.3 any member (present in person or by proxy) having the right to attend and vote at the meeting or by a duly authorised representative of a corporation.

37.3 A demand for a poll may, before the poll is taken, be withdrawn. A demand so withdrawn shall not invalidate the result of a vote on a show of hands declared before the demand was made. Polls must be taken immediately and in such manner as the chair of the meeting directs.

## **38 Content of proxy notices**

38.1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:

38.1.1 states the name and address of the member appointing the proxy;

38.1.2 identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;

38.1.3 is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and

38.1.4 is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.

38.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

38.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

38.4 Unless a proxy notice indicates otherwise, it must be treated as:

38.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

38.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### **39 Delivery of proxy notices**

39.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

39.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

39.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

39.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

### **40 Proxies and corporate representatives**

The failure of any proxy or corporate representative to vote in accordance with any instructions given by the member by whom such proxy or corporate representative is appointed shall not invalidate the result of any vote in which the proxy or corporate representative has participated and the company and the directors shall be under no duty to enquire as to the instructions given to any such proxy or corporate representative.

### **41 Amendments to resolutions**

41.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

41.1.1 notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine), and

41.1.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.

41.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

41.2.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

41.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

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

## **42 Written resolutions and decisions of the Parent**

42.1 A proposed written resolution of the members of the company (or of a class of members) shall lapse if it is not passed before the end of the period of six months beginning with the circulation date of such resolution (as defined in section 290 of the Companies Act 2006).

42.2 If the Parent makes a decision which is required to be taken in a general meeting or by means of a written resolution, that decision shall be valid and effectual as if agreed by the company in general meeting. Any decision taken by the Parent pursuant to this article 42.2 shall be recorded in writing and delivered by the Parent to the company for entry in the company's minute book.

## **43 Means of communication to be used**

43.1 Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.

43.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

43.3 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

43.4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

43.4.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five working days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five working days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

43.4.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

43.4.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

43.4.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

43.5 For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

43.6 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Companies Act 2006.

#### **44 Company seals**

44.1 Any common seal may only be used by the authority of the directors.

44.2 The directors may decide by what means and in what form any common seal is to be used.

44.3 Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

44.4 For the purposes of this article, an authorised person is:

44.4.1 any director of the company;

44.4.2 the company secretary (if any); or

44.4.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

#### **45 No right to inspect accounts and other records**

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member.

#### **46 Provision for employees on cessation of business**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

#### **47 Indemnity**

47.1 The company may indemnify any relevant officer out of the assets of the company from and against any loss, liability or expense incurred by that director or those directors in relation to the company (including any liability incurred in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006)) provided that this article shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the Companies Act 2006. This article does not allow for or provide (to any extent) an indemnity which is more extensive than as permitted by the Companies Act 2006 and any such indemnity is limited accordingly. This article is also without prejudice to any indemnity to which any person may otherwise be entitled.

47.2 To the extent permitted by, and subject to the restrictions in, the Companies Act 2006 and without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the board shall have the power to provide funds to meet any expenditure incurred or to be incurred by any relevant officer in defending any criminal or civil (including regulatory) proceedings, or in connection with an application under the Companies Act 2006, or to enable the relevant officer to avoid incurring such expenditure.

47.3 Without prejudice to the provisions of article 48, the directors may exercise all the powers of the company to purchase and maintain insurance for the benefit of any person who is a relevant officer or an employee or former employee of the company or any associated company or who is or was a trustee of a retirement benefits scheme or another trust in which a relevant officer or an employee or former employee is or has been interested, indemnifying the relevant officer, employee or former employee against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the company.

47.4 In these articles:

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

47.4.2 relevant officer means any current or former director, secretary or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006)), other than any person (whether an officer or not) engaged by the company (or associated company) as an auditor, to the extent they act as an auditor.

## **48 Insurance**

48.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

48.2 In this article:

48.2.1 a "relevant director" means any director or former director of the company or an associated company;

48.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and

48.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.