

Company Number: 09134089  
A Company Limited by Guarantee  
Registered in Wales

**Creating Enterprise CIC  
("the Company")**

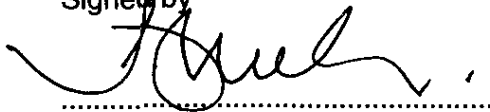
**Written Special Resolution of the Member**

It is hereby resolved by the Company Member that the following resolution be passed as a written special resolution:-

1. **THAT** the Articles of the Company be rescinded in their entirety and replaced with the version annexed to this resolution and marked with an "X" for identification.

**AGREEMENT**

Signed by



For and on behalf of Cartrefi Conwy Cyfyngedig

Date

12 06 17

THURSDAY



A08 \*A68O83GH\* #193  
15/06/2017  
COMPANIES HOUSE

*Marked for Identification purposes only X*

**ARTICLES OF ASSOCIATION  
OF  
CREATING ENTERPRISE C.I.C.  
A COMMUNITY INTEREST COMPANY  
LIMITED BY GUARANTEE**

**Anthony Collins Solicitors  
134 Edmund Street  
Birmingham  
B3 2ES  
Ref: DSA.38124.0008**

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## **PART 1: INTERPRETATION, LIMITATION OF LIABILITY, CIC STATUS**

### **1. Defined terms**

In the Articles, unless the context requires otherwise—

Articles	means the Company's Articles of association
Asset-Locked Body	means a community interest company, a charity, or a permitted community benefit society or a body established outside the United Kingdom that is equivalent to either of those
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 30
Community	is to be construed in accordance with section 35(5) of the Companies (Audit, Investigations and Community Enterprise) Act 2004
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
the Company	means the company intended to be regulated by the Articles
Contracting Authority	has the meaning given in regulation 2 of the Public Contracts Regulations 2015
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
Member	has the meaning given in section 112 of the Companies Act 2006
Ordinary Resolution	has the meaning given in section 282 of the Companies Act 2006
Parent	means Cartrefi Conwy Cyfyngedig, a registered society with exempt charitable status registered with the Financial Conduct Authority under number 30457R
Participate	in relation to a Directors' meeting, has the meaning given in Article 15
Permitted Community Benefit Society	means a registered society which has a restriction on the use of its assets in accordance with regulation 4 of the Community Benefit Societies

	(Restriction on Use of Assets) Regulations 2006 or regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006
Proxy Notice	has the meaning given in Article 36
Registered Society	means:  (i) a registered society within the meaning given by section 1(1) of the Cooperative and Community Benefit Societies Act 2014; or  (ii) a society registered or deemed to be registered under the Industrial and Provident Societies Act (Northern Ireland) 1969
Regulator	means the regulator of community interest companies
Secretary	has the meaning given in Article 47
Special Resolution	has the meaning given in section 283 of the Companies Act 2006
Specified	means specified in the memorandum or Articles of the Company
Subsidiary	has the meaning given in section 1159 of the Companies Act 2006
Transfer	includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or a right over, any property
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

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.

## **Liability of Members**

### **2. Liability of Members**

2.1 The liability of the Company Members is limited. 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 he or she is a Member or within one year after he or she ceases to be a Member, for—

2.1.1 payment of the Company's debts and liabilities contracted before he or she ceases to be a Member,

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

2.1.3 adjustment of the rights of the contributories among themselves.

**3. Community Interest Company**

3.1 The Company shall be a community interest company.

**4. Asset Lock**

4.1 The Company shall not Transfer any of its assets other than for full consideration.

4.2 Provided the conditions in Article 4.3 are satisfied, Article 4.1 shall not apply to:

4.2.1 the Transfer of assets to any specified Asset-Locked Body, or (with the consent of the Regulator) to any other Asset-Locked Body; and

4.2.2 the Transfer of assets made for the benefit of the Community other than by way of a transfer of assets to an Asset-Locked Body.

4.3 The conditions are that the Transfer of assets must comply with any restrictions on the Transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum or Articles.

4.4 If:

4.4.1 the Company is wound up under the Insolvency Act 1986; and

4.4.2 all its liabilities have been satisfied

any residual assets shall be given or transferred to the Parent.

**5. Not for profit**

5.1 The Company is not established or conducted for private gain. Any profits or assets are used principally for the benefit of the community.

5.2 The income and property of the Company must be applied solely towards promoting the objects set out in Article 6 and (except to the extent authorised by this Article 5):

5.2.1 no part may be paid or transferred directly or indirectly by dividend bonus or profit to a Member; and

5.2.2 a Director may not directly or indirectly receive any payment of money or benefit from the Company.

5.3 For the avoidance of doubt nothing in Articles 5.1 or 5.2 is to prevent the following payments to Members:

5.3.1 payment of reasonable and proper rent for premises let to the Company by a Member;

- 5.3.2 payment of reasonable and proper interest on money lent by any Member (or other person with the right to appoint Members);
  - 5.3.3 reasonable payments to a Member (or other person with the right to appoint Members) in return for goods and/or services supplied to the Company pursuant to a contract;
  - 5.3.4 the payment of reasonable and proper out of pocket expenses to those Members who are engaged by the Company as volunteers in the work of the Company or in work which is directly funded (in whole or in part) by the Company and which are actually incurred by them in carrying out their work as volunteers;
  - 5.3.5 payment by way of gift to a Member for use for charitable purposes or purposes that benefit the wider community;
  - 5.3.6 the grant of a benefit to a Member who is a beneficiary in furtherance of the objects.
- 5.4 Notwithstanding Articles 5.1 and 5.2, the Company may make the following payments or grant the following benefits to Directors:-
- 5.4.1 the reimbursement of reasonable and proper out-of-pocket expenses (including travel and dependants' care costs) actually incurred in enabling them to carry out their duties as Directors;
  - 5.4.2 the payment of reasonable and proper out of pocket expenses to those Directors who are engaged by the Company as volunteers in the work of the Company or in work which is directly funded (in whole or in part) by the Company and which are actually incurred by them in carrying out their work as volunteers;
  - 5.4.3 an indemnity in respect of any liabilities properly incurred in running the Company (including the costs of a successful defence to criminal proceedings);
  - 5.4.4 the benefit of indemnity insurance;
  - 5.4.5 a payment to a company in which a Director has no more than a 1% shareholding;
  - 5.4.6 payment of reasonable and proper interest on money lent by any Director to the Company;
  - 5.4.7 a reasonable rent or hiring fee for property let or hired by any Director to the Company;
  - 5.4.8 the usual professional charges for business done by any Director or by his or her firm when instructed by the Company to act in a professional capacity on its behalf;
  - 5.4.9 the reasonable charges for business done by any Director acting in the capacity of secretary to the Company.

## **6. Objects**



- 6.1 The objects of the Company ("the Objects") are to:
- 6.1.1 to develop, promote, support or further enterprise activity of any kind, including social enterprise activity;
  - 6.1.2 to promote social inclusion;
  - 6.1.3 to promote economic regeneration;
  - 6.1.4 to undertake activities of any kind for, alongside or in furthering the charitable objects of the Parent; and
  - 6.1.5 anything else which the Board reasonably considers for the benefit of the community.
- 6.2 In furthering the Objects, the Company shall operate in a non-political and democratic manner and at all times actively promote and take into consideration the principles of equality of opportunity, and shall seek to recognise, enable and promote the unique contribution that every individual can make to the community.

**7. Powers**

- 7.1 The Company may do all such lawful things as may further the Company's objects and, in particular, but, without limitation, may borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds.

## **PART 2: DIRECTORS**

### ***DIRECTORS' POWERS AND RESPONSIBILITIES***

#### **8. Directors' general authority**

- 8.1 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.

- 11.3 Each committee may consist of Directors or non-Directors.

## **DECISION-MAKING BY DIRECTORS**

### **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.

### **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, copies of which have been signed by each eligible Director or to which each eligible Director has 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. It is envisaged that Directors' meetings shall be held at least quarterly.
- 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, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given 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 Subject to Article 16.4, 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 Directors' meetings is three Directors, at least one of whom must be appointed by the Parent.
- 16.3 If the total number of Directors for the time being is fewer than three, the Directors must not take any decision other than a decision to invite the Parent, or any other Member (where there are such Members) to appoint further Directors pursuant to Article 23.
- 16.4 If, but for the fact that a Director is not to be counted as participating in the decision-making process for quorum or voting purposes pursuant to Article 19.1, a Directors' meeting would otherwise be quorate, then the Directors' meeting shall be deemed to be quorate and the remaining Directors may vote on any proposal.

## **17. Chairing of Directors' meetings**

- 17.1 The Parent may appoint a Director to Chair Directors' meetings.
- 17.2 The person so appointed for the time being is known as the Chair.
- 17.3 The Chair may be removed only by resolution of the Parent.
- 17.4 If the Chair is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to Chair the meeting.
- 17.5 Subject to Article 18, questions arising at a Directors' meeting shall be decided by a majority of votes. In all proceedings of Directors, each Director must not have more than one vote.

**18. Casting vote**

- 18.1 However many Directors are present at a meeting, those Directors appointed by the Parent shall always have 51% of the votes cast.
- 18.2 Subject to 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.

**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, that Director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 19.2 But if paragraph (3) applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.
- 19.3 This paragraph applies when—
- 19.3.1 the Company by Ordinary Resolution disapplies the provision of the Articles which would otherwise prevent a Director from being counted as participating in the decision-making process;
- 19.3.2 the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 19.3.3 the Director's conflict of interest arises from a permitted cause.
- 19.4 For the purposes of this Article, the following are permitted causes—
- 19.4.1 a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its Subsidiaries;
- 19.4.2 subscription, or an agreement to subscribe, for securities of the Company or any of its Subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
- 19.4.3 arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its Subsidiaries which do not provide special benefits for Directors or former Directors.
- 19.5 For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.
- 19.6 Subject to Article 19.7, 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.

- 19.7 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.
- 19.8 Any Director appointed by the Parent may make such disclosure to his appointer as to the business and affairs of the Company as the Director in his or her absolute discretion determines.
- 19.9 A Director shall be deemed not have an interest for the purpose of the Act or this Article 19 as a director of the Parent, or of any other body whose accounts are or ought to be consolidated with the Company's accounts.

## **20. Directors' power to authorise a conflict of interest**

- 20.1 The Directors have power to authorise a Director to be in a position of Conflict of Interest provided:
- 20.1.1 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 19;
- 20.1.2 in authorising a Conflict of Interest, the Directors can decide the manner in which the Conflict of Interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a Conflict of Interest can participate in a vote on the matter and can be counted in the quorum;
- 20.1.3 the decision to authorise a Conflict of Interest can impose such terms as the Directors think fit and is subject always to their right to vary or terminate the authorisation.
- 20.2 If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 20.1 then, even if he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed.
- 20.3 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 20.1 (subject to any limits or conditions to which such approval was subject).

## **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 decision recorded, of every unanimous or majority decision taken by the Directors.

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

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

## **APPOINTMENT OF DIRECTORS**

### **23. Methods of appointing Directors**

23.1 The first Directors of the Company shall be the relevant signatories to the Companies House form IN01.

23.2 Subject to Article 23.3:

23.2.1 the Parent may appoint three people as Directors;

23.2.2 each other Member may appoint one Director; and

23.2.3 the Board may appoint up to a further two Directors because of their particular skills or experience.

23.3 The appointment of a Director is not to take effect until he/she has signed the prescribed Companies House form.

23.4 Subject to Articles 23.2 and 23.3, the original appointing body under Article 23.2 may appoint a person as a Director either in substitution for a Director it has removed or to fill a casual vacancy.

23.5 Each Director is to hold office until the start of the first Directors' meeting after a fixed period of one year from his or her appointment, but is eligible for reappointment, such reappointment to take place automatically if not opposed by the original appointing body in writing in advance, subject to them not having already served for a maximum of 9 consecutive years.

23.6 Subject to Articles 23.3 the appointment or removal of a Director under the Articles is to take effect when the appointing body gives written notice of the appointment or removal to:

23.6.1 the Registered Office;

23.6.2 a Board Meeting; or

23.6.3 the Secretary in person.

23.7 No Director may be appointed except as set out in the Articles.

23.8 No person may be a Director if he or she would immediately cease to hold office under Article 24.

### **24. Termination of Director's appointment**

24.1 The Parent may remove any or all of the Directors at any time.

24.2 A person ceases to be a Director as soon as—

24.2.1 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;

24.2.2 a bankruptcy order is made against that person;

- 24.2.3 the term of office of that Director ends under Article 23.5, unless the Director is reappointed;
  - 24.2.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 24.2.5 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;
  - 24.2.6 if, either following a complaint or otherwise, the other Directors are of the view acting reasonably that the Director's conduct has been detrimental to the best interests of the Company **provided that** the Director concerned has been given the opportunity to say why he or she should not be removed as a Director;
  - 24.2.7 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.
- 24.3 No one can become or remain a board member at any time if they have served for a maximum of 9 consecutive years from the date of his or her first appointment.

## **25. Directors' expenses**

- 25.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at—
- 25.1.1 meetings of Directors or committees of Directors;
  - 25.1.2 general meetings; or
  - 25.1.3 separate meetings of the holders of debentures of the Company; or
  - 25.1.4 otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.



## **PART 3: MEMBERS**

### ***BECOMING AND CEASING TO BE A MEMBER***

#### **26. Applications for membership**

- 26.1 The subscribers to the Memorandum are the first Members of the Company.
- 26.2 Such other persons as are admitted to Membership in accordance with the Articles shall be Members of the Company.
- 26.3 No person shall be admitted a Member of the Company unless he is approved by the Directors.
- 26.4 Every person who wishes to become a Member shall deliver to the Company an application for Membership in such form (and containing such information) as the Directors require and executed by him or her.
- 26.5 No person shall become a Member of the Company unless—
  - 26.5.1 they are a Contracting Authority;
  - 26.5.2 the Directors have approved the application.

#### **27. Termination of Membership**

- 27.1 A Member may withdraw from Membership of the Company by giving 7 days' notice to the Company in writing.
- 27.2 Membership is not transferable to anyone else.
- 27.3 A person's Membership terminates if:
  - 27.3.1 the Member dies or ceases to exist;
  - 27.3.2 having been admitted under Article 26, the Board acting reasonably resolves that the Member concerned is no longer doing business with the Company;
  - 27.3.3 the conduct of the Member is detrimental to the interests of the Company and the Board resolve that the Member concerned should cease to hold membership, provided that the Member shall first be given the opportunity to put their case as to why they should not be removed from membership; or
  - 27.3.4 otherwise under the Articles.

## **ORGANISATION OF GENERAL MEETINGS**

### **28. Attendance and speaking at general meetings**

- 28.1 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.
- 28.2 A person is able to exercise the right to vote at a general meeting when—
- 28.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- 28.2.2 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.
- 28.3 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.
- 28.4 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.
- 28.5 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.

### **29. Quorum for general meetings**

- 29.1 The quorum for general meetings is one half of the Members for the time being, always provided that a representative of the Parent is present.
- 29.2 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.

### **30. Chairing general meetings**

- 30.1 If the Directors have appointed a Chair, the Chair shall Chair general meetings if present and willing to do so.
- 30.2 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—
- 30.2.1 the Directors present, or
- 30.2.2 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.

30.3 The person Chairing a meeting in accordance with this Article is referred to as “the Chair of the Meeting”.

**31. Attendance and speaking by Directors and non-members**

31.1 Directors may attend and speak at general meetings, whether or not they are Members.

31.2 The Chair of the meeting may permit other persons who are not Members of the Company to attend and speak at a general meeting.

**32. Adjournment**

32.1 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.

32.2 The Chair of the Meeting may adjourn a general meeting at which a quorum is present if—

32.2.1 the meeting consents to an adjournment, or

32.2.2 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.

32.3 The Chair of the Meeting must adjourn a general meeting if directed to do so by the meeting.

32.4 When adjourning a general meeting, the Chair of the Meeting must—

32.4.1 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

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

32.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days’ notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)—

32.5.1 to the same persons to whom notice of the Company’s general meetings is required to be given, and

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

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

## **VOTING AT GENERAL MEETINGS**

### **33. Voting: general**

- 33.1 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.
- 33.2 A person who is not a Member of the Company shall not have any right to vote at a general meeting of the Company; but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures.
- 33.3 However many Members of the Company are present and vote on any resolution, the Parent shall always have a minimum of 51% of the votes cast whether on a show of hands or a poll.

### **34. Errors and disputes**

- 34.1 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.
- 34.2 Any such objection must be referred to the Chair of the Meeting whose decision is final.

### **35. Poll votes**

- 35.1 A poll on a resolution may be demanded—
  - 35.1.1 in advance of the general meeting where it is to be put to the vote, or
  - 35.1.2 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.
- 35.2 A poll may be demanded by—
  - 35.2.1 the Chair of the Meeting;
  - 35.2.2 the Directors;
  - 35.2.3 two or more persons having the right to vote on the resolution; or
  - 35.2.4 a person or persons representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.
- 35.3 A demand for a poll may be withdrawn if—
  - 35.3.1 the poll has not yet been taken, and
  - 35.3.2 the Chair of the Meeting consents to the withdrawal.
- 35.4 Polls must be taken immediately and in such manner as the Chair of the Meeting directs.

## **36. Content of proxy notices**

- 36.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which—
- 36.1.1 states the name and address of the Member appointing the proxy;
  - 36.1.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
  - 36.1.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 36.1.4 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.
- 36.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 36.3 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.
- 36.4 Unless a proxy notice indicates otherwise, it must be treated as—
- 36.4.1 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
  - 36.4.2 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.

## **37. Delivery of proxy notices**

- 37.1 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.
- 37.2 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.
- 37.3 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.
- 37.4 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.

## **38. Written resolutions**

- 38.1 Subject to Article 38.3, a written resolution of the Company passed in accordance with this Article 38 shall have effect as if passed by the Company in a general meeting:

- 38.1.1 a written resolution is passed as an Ordinary Resolution if it is passed by a simple majority of the total voting rights of eligible Members;
- 38.1.2 a written resolution is passed as a Special Resolution if it is passed by Members representing not less than 75% of the total voting rights of eligible Members. A written resolution is not a Special Resolution unless it states that it was proposed as a Special Resolution.
- 38.2 In relation to a resolution proposed as a written resolution of the Company the eligible Members are the Members who would have been entitled to vote on the resolution on the circulation date of the resolution.
- 38.3 A Members' resolution under the Companies Acts removing a Director or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
- 38.4 A copy of the written resolution must be sent to every Member together with a statement informing the Member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written notices shall be sent to the Company's auditors in accordance with the Companies Acts.
- 38.5 A Member signifies their agreement to a proposed written resolution when the Company receives from him or her an authenticated document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
- 38.5.1 If the document is sent to the Company in hard copy, it is authenticated if it bears the Member's signature or is properly signed on behalf of the Member for a corporate Member.
- 38.5.2 If the document is sent to the Company by electronic means, it is authenticated if it bears the Member's signature or is properly signed on behalf of the Member for a corporate Member.
- 38.6 A written resolution is passed when the required majority of eligible Members have signified their agreement to it.
- 38.7 A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date.

## ***ORGANISATION OF ANNUAL GENERAL MEETINGS***

### **39. Annual General Meetings**

- 39.1 The Company may, but need not, hold a general meeting which shall be called the annual general meeting.
- 39.2 If an annual general meeting is to be held the board is to prepare an annual report for distribution with the notice of the annual general meeting and to other such interested parties as identified by the Board. The annual report shall include the annual accounts for the Company's preceding financial year.
- 39.3 The functions of the annual general meeting shall be to receive the annual report.

## **PART 4: ADMINISTRATIVE ARRANGEMENTS**

### **40. Means of communication to be used**

- 40.1 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.
- 40.2 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.
- 40.3 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.

### **41. Company seals**

- 41.1 Any common seal may only be used by the authority of the Directors.
- 41.2 The Directors may decide by what means and in what form any common seal is to be used.
- 41.3 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.
- 41.4 For the purposes of this Article, an authorised person is—
  - 41.4.1 any Director of the Company;
  - 41.4.2 the Company secretary (if any); or
  - 41.4.3 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

### **42. No right to inspect accounts and other records**

- 42.1 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.

### **43. Provision for employees on cessation of business**

- 43.1 The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection

with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that Subsidiary.

## ***DIRECTORS' INDEMNITY AND INSURANCE***

### **44. Indemnity**

44.1 Subject to paragraph (2), a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against—

44.1.1 any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,

44.1.2 any liability incurred by that Director in connection with the activities of the Company or an associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),

44.1.3 any other liability incurred by that Director as an officer of the Company or an associated company.

44.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

44.3 In this Article—

44.3.1 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate, and

44.3.2 a "relevant Director" means any Director or former Director of the Company or an associated Company.

### **45. Insurance**

45.1 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.

45.2 In this Article—

45.2.1 a "relevant Director" means any Director or former Director of the Company or an associated company,

45.2.2 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 direct employees' share scheme of the Company or associated Company, and

45.2.3 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate.



**46. Exclusion of model Articles**

46.1 The relevant model Articles for a Company limited by guarantee are hereby expressly excluded.

**47. The Secretary**

47.1 The Board may, but need not, appoint a Secretary. Where appointed, that person's term of office shall be for the Board decide. Where there is no Secretary, the Board shall make arrangements for that person's role to be carried out by one or more other people.

47.2 A Secretary may be removed by the Board at any time.

47.3 It is envisaged that the duties of the Secretary include advising the Board on legal compliance.

**48. Standing Orders**

48.1 The Company shall comply with all standing orders which are applicable to the Parent or such standing orders as the Parent may direct in writing from time to time.

48.2 Subject to Article 48.1, the Board may from time to time, with the prior written consent of the Parent make standing orders for the proper conduct and management of the Company.

48.3 The Company in General Meeting may alter, add to or repeal the standing orders made under Article 48.2.

48.4 The Board must adopt such means as they think sufficient to bring the standing orders to the notice of the Members.

48.5 Standing orders are binding on all Members and Directors.

48.6 No standing order may be inconsistent with or may affect or repeal anything in the Articles.

**49. Group Structure**

49.1 The Company is a Subsidiary of the Parent.