

**The Companies Acts 1985 and 1989**

**Company limited by guarantee**

**and not having a share capital**

**Articles of Association**

**of**

**Holborn Business Partnership Limited  
(the “Company”)**

(adopted pursuant to a special resolution passed on November 2004)

**Interpretation**

1.1 The regulations contained in Table C in the Companies (Tables A to F) Regulations 1985 (as amended) in force at the time of adoption of these Articles shall not apply and these Articles alone shall constitute the regulations of the Company.

1.2 In these Articles:

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

**Articles** means the articles of association of the Company, as may be amended from time to time;

**Board** means the board of directors of the Company acting collectively;

**BID Area** means the area within which the Company proposes to implement the BID Proposal, as defined in the Operating Procedures Agreement;

**BID Levy** means the annual charge proposed to be levied and collected from the Stakeholders pursuant to the BID Proposal;

**BID Proposal** means the BID Proposal as defined in section 49 of part 4 of the Local Government Act 2003, proposed to be approved by Stakeholders and to be implemented and managed by the Company in the BID Area, a copy of which is annexed to the Operating Procedures Agreement;

**clear days** means, in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**Chairman** means the director elected as chairman of the Board by the directors;

**communication** means the same as in the Electronic Communications Act 2000;

**director** means a director of the Company;

**electronic communication** means the same as in the Electronic Communications Act 2000;

**executed** includes any mode of execution;

**Members** means any Stakeholder who has been admitted as a member of the Company pursuant to the Articles;

**Memorandum** means the memorandum of association of the Company, as may be amended from time to time;

**office** means the registered office of the Company;

**Operating Procedures Agreement** means the agreement proposed to be entered into between the Company and the London Borough of Camden setting out the terms upon which the BID Levy will be collected and provided;

**Rateable Value** means a Member's rateable value, as listed on the London Borough of Camden's database of non-domestic ratepayers as at 1 April each year;

**seal** means the common seal of the Company;

**secretary** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

**Stakeholders** means the non-domestic rate payers in the BID Area liable to pay the BID Levy as identified in the BID Proposal;

**Tier 1 Member** means any BID Member whose BID Levy is £10,000 or more;

**Tier 2 Member** means any BID Member whose BID Levy is not less than £5,000 but is less than £10,000;

**Tier 3 Member** means any BID Member whose BID Levy is not less than £1,000 but is less than £5,000;

**Tier 4 Member** means any BID Member whose BID Levy is not less than £500 but is less than £1,000;

**Tier 5 Member** means any BID Member whose BID Levy is not less than £100 but is less than £500;

**United Kingdom** means Great Britain and Northern Ireland;

**Voluntary Contributions** means contributions paid to the Company by Voluntary Associates to be used towards securing or procuring the BID Proposal and its associated objectives; and

**Voluntary Associates** means those persons referred to in **Article 4**.

- 1.3 Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.
- 1.4 In these Articles, words importing the singular number shall include the plural and vice versa; words importing the masculine shall include the feminine and neuter and vice versa; words importing persons shall include bodies corporate, unincorporated associations and partnerships.

## **Members**

2. The subscribers to the Memorandum and such other persons as are admitted to membership in accordance with these Articles shall be Members.
3. Only Stakeholders shall be entitled to be Members and, (save in respect of Stakeholders who are already members of the Company prior to the date upon which these articles are adopted) before membership is granted, the applying Stakeholder is required to submit an application to the Board in such form as the directors require. No Stakeholder shall be admitted as a Member unless such application is approved by the Board.
4. The Board shall be entitled to invite non-Stakeholders who agree to make Voluntary Contributions to participate in the Company as Voluntary Associates. Voluntary Associates shall not be Members and, save for the circumstances set out in **Article 27**, shall have no voting rights. Before any such person is admitted as a Voluntary Associate, the terms upon which such person agrees to make Voluntary Contributions must be approved in writing by the Board. The Board may remove any Voluntary Associate who fails to pay its agreed Voluntary Contributions or when such Voluntary Contributions cease in accordance with such agreed terms.
5. Any corporate or statutory body, partnership, unincorporated association or other organisation admitted as a Member shall appoint an individual to act as a representative of such Member from time to time and shall confirm the appointment of such representative in writing to the Company.
6. A Member may at any time resign its membership of the Company by giving at least thirty clear days' notice in writing to the Company. Membership shall not be transferable and shall terminate automatically on the death of the Member or upon the Member ceasing to be a Stakeholder.
7. The Board shall be entitled to withdraw the membership of: (i) any Member who materially breaches the terms of these Articles; (ii) any BID Member who fails to pay its BID Levy; and (iii) any BID Member who is no longer liable to pay the BID Levy.

## **General meetings**

8. All general meetings other than annual general meetings shall be called extraordinary general meetings.
9. The directors may call general meetings and, on the requisition of Members pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general

meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any Member may call a general meeting.

### **Notice of general meetings**

- 10.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director (other than a director appointed pursuant to **Article 35**) shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen days' notice but a general meeting may be called by shorter notice if it is so agreed:
  - 10.1.1 in the case of an annual general meeting, by all the Members entitled to attend and vote thereat; and
  - 10.1.2 in the case of any other meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety-five per cent of the total voting rights at the meeting of all the Members.
- 10.2 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.
- 10.3 The notice shall be given to all the Members and to the directors and auditors shall provide details of all special, extraordinary and elective resolutions to be proposed at the general meeting.
- 10.4 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.

### **Proceedings at general meetings**

11. No business shall be transacted at any meeting unless a quorum is present. Such quorum to consist of not less than three BID Members, of which at least two must be Tier 1 Members, such members to be present in person, or by proxy or by duly appointed representative.
12. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.
13. The Chairman, or in his absence some other director nominated by the directors, shall preside as chairman of the meeting, but if neither the Chairman nor such other director (if any) is 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 chairman of the meeting and, if there is only one director present and willing to act, he shall be chairman of the meeting.

14. If no director is willing to act as chairman of the meeting, 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 chairman of the meeting.
15. A director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting.
16. The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 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.
17. A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
  - 17.1 by the chairman of the meeting; or
  - 17.2 by at least two Members having the right to vote at the meeting; or
  - 17.3 by Members representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting;and a demand by a person as proxy for a Member shall be the same as a demand by the Member.
18. Unless a poll is duly demanded a declaration by the chairman of the meeting 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.
19. The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the meeting, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
20. A poll shall be taken as the chairman of the meeting directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
21. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.
22. A poll demanded on the election of a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be

taken either forthwith or at such time and place as the chairman of the meeting directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

23. No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
24. A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.

#### **Votes of members**

25. Subject to **Article 26** and **Article 69** (Avoiding Influenced Company Status), on a show of hands every Member present in person shall have one vote, and on a poll each Member present in person (which includes through any authorised representative) or by proxy shall have one vote for every £1 of the relevant Member's Rateable Value.
26. Where the approval of Members is required for a material alteration of the BID Proposal the approval of the Members shall be obtained in accordance with section 60 of part 4 of the Local Government Act 2003, as may be amended from time to time.
27. Where the Company proposes to us any Voluntary Associate's Voluntary Contributions for purposes not specified in the BID Proposal or not specified in the written contribution terms agreed between the Company and such Voluntary Associate, then the consent of the Voluntary Associate concerned shall be required before such Voluntary Contributions are used for such purpose.
28. A Member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
29. No objection shall be raised to the qualification of any Member to vote except at the meeting or adjourned meeting at which the objection is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

30. The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

"I/We, \*\* , of \*\* , being a Member of the above-named company, hereby appoint \*\* of \*\* , or failing him, \*\* of \*\* , as my/our proxy to vote in my/our name and on my/our behalf at the annual/extraordinary general meeting of the company to be held on \*\* , and at any adjournment thereof.

Signed on \*\* ."

31. Where it is desired to afford Members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):

"I/We, \*\* , of \*\* , being a Member of the above-named company, hereby appoint \*\* of \*\* , or failing him, \*\* of \*\* , as my/our proxy to vote in my/our name and on my/our behalf at the annual/extraordinary general meeting of the company, to be held on \*\* , and at any adjournment thereof.

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

Resolution No.1 \*for \*against

Resolution No.2 \*for \*against.

\*Strike out whichever is not desired.

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

Signed this \*\* day of \*\* ."

32. The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

32.1 in the case of an instrument in writing being deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;

32.2 in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:

32.2.1 in the notice convening the meeting, or

32.2.2 in any instrument of proxy sent out by the company in relation to the meeting, or

- 32.2.3 in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting,
- 32.3 be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
- 32.4 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- 32.5 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman of the meeting or to the secretary or to any director;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid. In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

33. A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which such appointment was duly received 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.

### **Number and appointment of directors**

34. The number of directors (other than alternate directors) shall not be less than two and shall be subject to a maximum of fifteen. **Article 69** (Avoiding Influenced Company Status) shall limit the number of directors who are associated with a local authority within the meaning of section 69(5) of the Local Government and Housing Act 1989.
- 35.1 Tier 1 Members shall be entitled by notice in writing to the Company to appoint up to six directors to the Board and shall further be entitled to remove and replace such appointed directors. Such notice in writing giving notice of the appointment and/or removal of any such directors must, to be valid, be signed by or on behalf of a majority in number of the Tier 1 Members.
- 35.2 Tier 2 Members shall be entitled by notice in writing to the Company to appoint up to three directors to the Board and shall further be entitled to remove and replace such appointed directors. Such notice in writing giving notice of the appointment and/or removal of any such directors must, to be valid, be signed by or on behalf of a majority in number of the Tier 2 Members.
- 35.3 Tier 3 Members shall be entitled by notice in writing to the Company to appoint one director to the Board. Such notice must be signed by at least one Tier 3 Member who is neither the proposed director nor a person otherwise associated with the

proposed director. Additionally, the proposed director must be a member of a 4Holborn working group and such working group must approve the proposed director's nomination to join the Board. Finally, the appointment of such proposed director to the Board is subject to Board approval.

- 35.4 Tier 4 Members shall be entitled by notice in writing to the Company to appoint one director to the Board. Such notice must be signed by at least one Tier 4 Member who is neither the proposed director nor a person otherwise associated with the proposed director. Additionally, the proposed director must be a member of a 4Holborn working group and such working group must approve the proposed director's nomination to join the Board. Finally, the appointment of such proposed director to the Board is subject to Board approval.
- 35.5 Tier 5 Members shall be entitled by notice in writing to the Company to appoint one director to the Board. Such notice must be signed by at least one Tier 5 Member who is neither the proposed director nor a person otherwise associated with the proposed director. Additionally, the proposed director must be a member of a 4Holborn working group and such working group must approve the proposed director's nomination to join the Board. Finally, the appointment of such proposed director to the Board is subject to Board approval.
- 35.6
- 35.7 Any person who is a director immediately before 29 November 2004 (being the date upon which these Articles were adopted) shall either (i) continue as a director (subject to **Article 44**) but be redesignated as a director appointed by the Tier 1 Members, or the Tier 2 Members, or the Tier 3 Members, or the Tier 4 Members, or the Tier 5 Members; or (ii) resign from office within three months of the date upon which these Articles were adopted.
- 35.8 Subject to **Article 35.10**, the London Borough of Camden shall be entitled to appoint a non-voting representative to the Board. Such representative shall not be a director but shall be entitled to attend and speak at Board meetings.
- 35.9 Subject to **Article 35.10**, any Voluntary Associate who makes annual Voluntary Contributions in excess of £100,000 shall be entitled to appoint a non-voting representative to the Board. Each such representative shall be entitled to attend and speak at Board meetings.
- 35.10 Subject to **Article 35.10**, the Board shall be entitled to invite any government body or other public sector body to send a non-voting representative to attend and speak at meetings of the Board.
- 35.11 The maximum number of non-voting representatives permitted to attend meetings of the Board at any one time shall be five (or such other number as the Board shall determine).
- 35.12 Directors shall not be required to retire by rotation.

### **Alternate directors**

36. Any director (other than an alternate director) may appoint any other director, or any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him.
37. An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present, and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. It shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
38. An alternate director shall cease to be an alternate director if his appointor ceases to be a director.
39. Any appointment or removal of an alternate director shall be by notice to the company signed by the director making or revoking the appointment or in any other manner approved by the directors.
40. Save as otherwise provided in these Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

### **Powers of directors**

41. Subject to the provisions of the Act and any other relevant statutes, the Memorandum and these Articles, and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum or these 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. The powers given by this Article shall not be limited by any special power given to the directors by these Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
42. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

### **Delegation of directors' powers**

43. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

## **Disqualification and removal of directors**

44. The office of a director shall be vacated if:
- 44.1 he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
  - 44.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - 44.3 he is, or may be, suffering from mental disorder and either:
    - 44.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
    - 44.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
- or
- 44.4 he resigns his office by notice to the Company; or
  - 44.5 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or
  - 44.6 he is removed as a director pursuant to **Article 35**; or
  - 44.7 he ceases to be employed by or to represent a member form the class of member which has appointed him; or
  - 44.8 he is deemed to have resigned pursuant to **Article 69** (Avoiding Influenced Company Status).

## **Remuneration of directors**

45. Other than as permitted under **Article 46** (Directors' expenses), **Article 47** (Directors' interests) and **Article 68** (Indemnity), the directors shall not be entitled to remuneration or any other benefits from the Company for carrying out their duties as directors

## **Directors' expenses**

46. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or otherwise in connection with the discharge of their duties.

## **Directors' interests**

47. Subject to the provisions of the Act, and provided that the relevant director has disclosed to the Board the nature and extent of any material interest of his, a director notwithstanding his office:
- 47.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
- 47.2 may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
- 47.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
48. For the purposes of **Article 47**:
- 48.1 a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- 48.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

## **Proceedings of directors**

49. Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. 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. Subject to **Article 69** (Avoiding Influenced Company Status), which shall limit the votes exercisable by directors who are associated with a local authority within the meaning of section 69(5) of the Local Government and Housing Act 1989, questions arising at a meeting of the board shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.
50. The quorum for any meeting of the board shall be three directors, of which at least two must be appointees of the Tier 1 Members. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
51. The continuing directors or a sole continuing director 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.

52. The Chairman shall preside at every meeting of directors at which he is present. If the Chairman is not present within fifteen minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
53. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, 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.
54. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual 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 and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.
55. Subject to **Article 57** and provided he shall have disclosed his interest as required by the Act, a director may vote at any meeting of the board or at any committee of the board on any resolution notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest. If such director shall vote on any such resolution as aforesaid, his vote shall be counted, and in relation to any such resolution as aforesaid, he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.
56. The Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
57. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.
58. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.
59. Any director (including an alternate director) may participate in a meeting of the Board or a committee of the Board of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting is located.

## **Secretary**

60. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

## **Minutes**

61. The directors shall cause minutes to be made in books kept for the purpose:
  - 61.1 of all appointments of officers made by the directors; and
  - 61.2 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.

## **The seal**

62. The seal shall only be used by the authority of the directors or of a committee of directors 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 a second director.

## **Accounts**

63. No member shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

## **Notices**

64. Any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice. In this regulation, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.
65. 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 registered address or by leaving it at that address or by giving it using electronic communications to an address for the time being notified to the Company by the Member. 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 an address to which notices may be sent using electronic communications, shall be entitled to have notices given to him at that address, but otherwise no such Member shall be entitled to receive any notice from the Company. In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

66. A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
67. Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in an electronic communication, at the expiration of 48 hours after the time it was sent.

### **Indemnity**

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

### **Avoiding Influenced Company Status**

69.
  - 69.1 Notwithstanding the number of Members from time to time, for as long as there is a business relationship (as defined in section 69(3) of the Local Government and Housing Act 1989, as may be amended from time to time (a “**Business Relationship**”) between the Company and any Member which is a “**Local Authority Associated Person**” (meaning any person associated with any local authority in accordance with Section 69 of the Local Government and Housing Act 1989) the maximum aggregate number of votes exercisable by all such Members shall never exceed 19.9% of the total number of votes exercisable by Members in general meeting and the votes of the other Members having a right to vote at the meeting will be increased on a pro-rata basis.
  - 69.2 No person who is a Local Authority Associated Person may be appointed as a director if, at the time the appointment is to take effect, the number of directors who are also Local Authority Associated Persons represents 20% or more of the total number of directors, and there is at that time a Business Relationship between the Company and any Member which is a Local Authority Associated Person. For as long as there is a Business Relationship between the Company and any Member which is a Local Authority Associated Person, upon any resolution put to the Board, the maximum aggregate number of votes exercisable by the any directors who are Local Authority Associated Persons shall represent a maximum of 19.9% of the total number of votes cast by the directors on such resolution and the votes of the other directors having a right to vote at the meeting will be increased on a pro-rata basis.

- 69.3 No person who is a Local Authority Associated Person is eligible to be appointed to the office of director unless appointed to such office by the Local Authority to which he is associated.
- 69.4 If, at the time of either his becoming a Member or his first appointment to office as a director, and at that time there is a Business Relationship between the Company and any Member which is a Local Authority Associated Person, any Member or director was not a Local Authority Associated Person but later becomes so during his membership or tenure as a director he shall be deemed to have immediately resigned his membership and/or resigned from his office as a director as the case may be.
- 69.5 If at any time the number of directors who are also Local Authority Associated Persons would (but for this **Article 69**) represent 20% or more of the total number of directors, then a sufficient number of the directors who are Local Authority Associated Persons shall be deemed to have resigned as directors immediately before the occurrence of such event to ensure that at all times the number of directors who are Local Authority Associated Persons is never equal to or greater than 20% of the total number of directors of the Company. directors who are Local Authority Associated Persons shall be deemed to have resigned in order of their appointment date, the most recently appointed resigning first.
- 69.6 The Members will each notify the Company and each other if at any time they believe that the Company or any of its subsidiaries has become subject to the influence of a local authority (as described in Section 69 of the Local Government and Housing Act 1989).