

Propertymark Ltd
Company number 00897907

Articles of Association

The Companies Act 2006

**PRIVATE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL**

**Adopted by Special Resolution
passed on 17 June 2022**

The Companies Act 2006
COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION
OF
PROPERTYMARK LTD
Adopted by Special Resolution on 17 June 2022

1. GENERAL AND INTERPRETATION

1.1 In these articles of association:

Act: means the Companies Act 2006.

Articles: means the Company's articles of association for the time being in force.

Association: means the Company.

Board: means the Board of Directors from time to time.

Clear Days: mean (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.

Committee: means a committee of the Board to which powers are delegated in accordance with article 11.26.

Company: means Propertymark Ltd with company number 00897907.

Eligible Director: means Directors who would, in accordance with the terms of these Articles, have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.

In Writing: means written, printed or lithographed, or partly one and partly another, and other modes of representing or reproducing words in visible form.

Member: means any person (natural or corporate) as shall satisfy the membership criteria set out in the Rules of the Association from time to time.

Month: means a calendar month.

Office: means the registered office of the Association.

Rules: means the rules and regulations made by the Board of the Association in accordance with article 13 as shall apply from time to time.

Statutes: means the Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force including any subordinate legislation from time to time made under that statute or statutory provision.

United Kingdom: means Great Britain and Northern Ireland.

1.2 Words importing the singular number only shall include the plural number, and vice versa.

1.3 Words importing the masculine gender only shall include the feminine gender.

- 1.4 Unless the context requires otherwise, words or expressions contained in these Articles bear the same meanings as in the Act but excluding any statutory modification of the Act not in force when these articles become binding on the Association.
- 1.5 Reference to a person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.6 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.7 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.8 A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.9 The Companies (Tables A to F) Regulations 1985 as amended and the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles shall not apply to the Company.

2. **OBJECTS**

- 2.1 The objects for which the Association is established shall be unrestricted but shall include the following:
 - 2.1.1 to carry on and conduct the functions of a professional body representing members of the property sector in the United Kingdom;
 - 2.1.2 to make such rules and regulations as the Association shall think fit to govern the day to day running of the Association and the conduct of its members and to provide for sanctions in the event of their infringement;
 - 2.1.3 to purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Association may think necessary or convenient for the promotion of its objects;
 - 2.1.4 to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Association as may be thought expedient with a view to the promotion of its objects;
 - 2.1.5 to undertake and execute any trusts which may be lawfully be undertaken by the Association and may be conducive to its objects;
 - 2.1.6 to borrow or raise money for the purpose of the Association on such terms and on security as may be thought fit and to enter into any guarantee, contract of indemnity or suretyship;
 - 2.1.7 to invest the moneys of the Association not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as set out in these Articles;
 - 2.1.8 to do all such other things as are incidental or conducive to the attainment of the above objects or any of them;
 - 2.1.9 to do all or any of the above things as principals, agents, trustees, or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others.

2.2 **IT IS HEREBY EXPRESSLY DECLARED** that each of the preceding sub-articles of article 2.1 shall be construed independently of and shall in no way be limited by reference to any other sub-clause and that the objects set out in each sub-clause are independent objects of the Company.

2.3 The income and property of the Association however derived, shall be applied solely towards the promotion of the objects of the Association as set out in these Articles.

3. **MEMBERS**

3.1 The liability of each Member is limited to £5, being the amount that each Member undertakes to contribute to the assets of the Association in the event of its being wound up while they are a Member or within one year after they cease to be a Member, for:

3.1.1 payment of the Association's debts and liabilities contracted before they ceased to be a Member;

3.1.2 payment of the costs, charges and expenses of winding up; and

3.1.3 adjustment of the rights of the contributories among themselves.

3.2 No person shall become a Member of the Association unless that person has successfully completed an application for membership in accordance with the Rules from time to time.

3.3 The subscribers to the Memorandum of Association and such other persons as are admitted to membership in accordance with the Rules shall be members of the Association.

3.4 A Member shall cease to be a Member on the happening of any of the following events:

3.4.1 a breach of the Rules and a determination being made by the Board that the Membership should be terminated;

3.4.2 on the Member's death or, where the Member is a corporate body, the Member being wound-up or liquidated;

3.4.3 the Member lacking capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to their membership;

3.4.4 the Member resigns from the Association in accordance with the Rules.

3.5 No right or privilege of any Member shall be in any way transferable or transmissible.

4. **GENERAL MEETINGS**

4.1 The Association shall hold a general meeting in every calendar year as its Annual General Meeting not later than 30 June in every year at such time and place as may be determined by the Board and shall specify the meeting as such in the notice calling it.

4.2 The accidental omission to give notice of a meeting to, or the non-receipt of such notice by, any person entitled to receive notice thereof shall not invalidate any resolution passed, or proceeding had, at any meeting.

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

4.4 The Board shall determine in relation to each general meeting the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the general meeting shall be enabled to do so by simultaneous attendance and participation at a physical place anywhere in the world determined by it, or by means of electronic facility or facilities determined by it, or partly in one way and partly in another.

- 4.5 In determining attendance at a general meeting, it is immaterial whether any five or more Members attending it are in the same place as each other.
- 4.6 Five 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 and they are (or would be) able to exercise them.
- 4.7 Nothing in these Articles prevents a general meeting being held both physically and electronically.
- 4.8 Nothing in these Articles prohibit a general meeting from being held exclusively on an electronic basis.
- 4.9 A person may 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.
- 4.10 A person is able to exercise the right to vote at a general meeting when:
- 4.10.1 that person is able to vote, during the meeting on resolutions put to the vote at the meeting; and
 - 4.10.2 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.
- 4.11 The Board may resolve to enable persons entitled to attend and participate in a general meeting to do so (wholly or in part) by simultaneous attendance and participation by means of an electronic facility or facilities and determine the means, or all different means, of attendance and participation used in relation to a general meeting. The Members present personally or by proxy or by means of an electronic facility or facilities shall be counted in the quorum for, and entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the chair of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that persons attending the meeting by all means (including by means of electronic facility or facilities) are able to:
- 4.11.1 participate in the business for which the meeting has been convened;
 - 4.11.2 hear all persons who speak at the meeting; and
 - 4.11.3 be heard by all other persons present at the meeting.
- 4.12 In relation to electronic general meetings, the right of a Member to participate in the business of any general meeting shall include without limitation the right to speak, vote on a poll, be represented by a proxy and have access (including electronic access) to all documents which are required by the Act or these Articles to be made available at the meeting.
- 4.13 The Board may resolve to enable persons entitled to attend and participate in a general meeting to do so by simultaneous attendance and participation at a meeting place other than the place where the meeting is deemed to take place. Such additional meeting place may be located anywhere in the world.
- 4.14 A general meeting may be held at more than one place if:
- 4.14.1 the notice convening the meeting specifies that it shall be held at more than one place; or
 - 4.14.2 the Board resolves, after the notice convening the meeting has been given, that the meeting shall be held at more than one place; or

4.14.3 it appears to the chair of the meeting that:

4.14.3.1 the place of the meeting specified in the notice convening the meeting; or

4.14.3.2 the electronic facilities specified in the notice convening the meeting, or security at the electronic general meeting,

is inadequate to accommodate all persons entitled and wishing to attend.

4.15 A general meeting held at more than one place is duly constituted and its proceedings are valid if (in addition to the other provisions of these Articles relating to general meetings being satisfied) the chair of the meeting is satisfied that facilities (whether electronic or otherwise) are available to enable each person present at each place to participate in the business of the meeting.

4.16 Each person present at each place who would be entitled to count towards the quorum shall be counted in the quorum for, and shall be entitled to vote at, the meeting. The meeting is deemed to take place at the place at which the chair of the meeting is present.

5. **PROCEEDINGS AT GENERAL MEETING**

5.1 All business shall be deemed special that is transacted at a general meeting, and all that transacted at an Annual General Meeting shall also be deemed special, with the exception of the consideration of the income and expenditure account, and balance sheet, and the reports of the Board and of the Auditors, and the appointment of, and the fixing of the remuneration of, the Auditors.

5.2 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Except as otherwise provided in these Articles, 5 Members present in person or by proxy shall be a quorum.

5.3 If within half an hour of the time appointed for the holding of a general meeting a quorum is not present, the meeting, if convened on the requisition of the Members, shall be dissolved by the chair of the meeting.

5.4 In any other case it shall stand adjourned to the same day in the next week, at the same time and place, or at such other place as the Board may determine, or by such other means as the Board may decide and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting the Members present shall be a quorum.

5.5 The non-Executive Chair (if any) of the Association shall preside as chair at every general meeting, but if there be no such non-Executive Chair or if the non-Executive Chair shall be absent or unwilling to preside such other person as shall be nominated by the Board shall take the chair.

5.6 The chair of the meeting may, with the consent of any general 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 any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. Whenever a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given in the same manner as of an original meeting. Save as set out in this article, the Members shall not be entitled to any notice of an adjournment, or of the business to be transacted at an adjourned meeting.

5.7 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or upon the declaration of the result of the show of hands) demanded:

5.7.1 by the chair of the meeting; or

5.7.2 by at least three Members; or

5.7.3 Members representing not less than one-tenth of the total voting rights of all 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.

5.8 Unless a poll be so demanded a declaration by the chair 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 minute book of the Association shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution. The demand for a poll may be withdrawn before the poll is taken but only with the consent of the chair 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.

5.9 If a poll be demanded in accordance with these Articles, it shall be taken at such time and place, and by such means and in such manner, as the chair of the meeting shall direct and the chair of the meeting may appoint scrutineers (who need not be Members) and fix a time and place and means 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.

5.10 No poll shall be demanded on the election of a chair of a meeting or on any question or adjournment.

5.11 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting shall be entitled to a second or casting vote.

5.12 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 has been demanded.

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

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

6. VOTES OF MEMBERS AND PROXIES

6.1 Subject as provided in these Articles, on a show of hands every Member present in person shall have one vote. On a poll every Member present in person or by proxy shall have one vote.

6.2 Except as expressly provided in these Articles, no Member other than a Member who shall have paid every subscription and other sum (if any) which shall be due and payable to the Association in respect of the Member's membership under the terms of the Rules, shall be entitled to vote on any matter at any general meeting.

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

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

6.4.1 states the name and address of the Member appointing the proxy;

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

6.4.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Board may determine; and

- 6.4.4 is delivered to the Association in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- 6.5 The Association may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 6.6 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.
- 6.7 Unless a proxy notice indicates otherwise, it must be treated as:
- 6.7.1 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
- 6.7.2 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.
- 6.8 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 Association by or on behalf of that person.
- 6.9 An appointment under a proxy notice may be revoked by delivering to the Association a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 6.10 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.
- 6.11 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.
- 6.12 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 6.12.1 notice of the proposed amendment is given to the Association 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
- 6.12.2 the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 6.13 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 6.13.1 the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
- 6.13.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 6.14 If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.
- 7. APPOINTMENT OF DIRECTORS**
- 7.1 A Non-Executive Chair shall be appointed by the Board as a director for a term of up to four years (renewable for one further period of up to four years) on such terms as the Board shall decide.

- 7.2 A Chief Executive Officer shall be appointed by the Board as a director on such terms as the Board shall decide.
- 7.3 With effect from the conclusion of the Annual General Meeting in 2022, the Board of the Association shall comprise:
- 7.3.1 the Non-Executive Chair;
 - 7.3.2 the Chief Executive Officer;
 - 7.3.3 such number of non-executive directors as the Board considers fit from time to time;
 - 7.3.4 3 directors representing the interests of Members from the sales division, as are elected by the Members under the terms set out by the Board;
 - 7.3.5 3 directors representing the interests of Members from the lettings division, as are elected by the Members under the terms set out by the Board; and
 - 7.3.6 such number of additional directors that are appointed by the Board on such terms (including as to voting rights) and for such period as the Board considers fit from time to time.
- 7.4 The Directors referred to in Articles 7.3.3 and 7.3.4 shall hold office for a term of up to four years at the expiry of which such Director shall retire but shall (unless they have already served two consecutive terms) be available for re-election for one further term of up to four years.

8. POWER, RESPONSIBILITIES, ELIGIBILITY, DISQUALIFICATION, SUSPENSION AND REMOVAL OF DIRECTORS

- 8.1 Subject to the Statutes and the provisions of the Articles and the Rules from time to time, the Directors are responsible for the management of the Association's business, for which purpose they may exercise all the powers of the company.
- 8.2 The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action. No such special resolution invalidates anything which the Directors have done before the passing of the resolution.
- 8.3 The office of a Director shall be vacated if:
- 8.3.1 the Director ceases to be a Director by virtue of any provision of the Statutes or the Rules or the Director becomes prohibited by law or by these Articles from being a Director; or
 - 8.3.2 the Director becomes bankrupt or makes any arrangement or composition with the Director's creditors generally; or
 - 8.3.3 the Director is found by a court to be guilty of an offence for which a custodial sentence may be imposed;
 - 8.3.4 the Director is or may be suffering from mental disorder and either:
 - 8.3.4.1 the Director is admitted to hospital in pursuance of an application for admission for treatment under any legislation governing Mental Health in force from time to time; or
 - 8.3.4.2 an order is made by a court having jurisdiction (whether in Great Britain or elsewhere) in matters concerning mental disorder; or
 - 8.3.4.3 the Director's detention or for the appointment of a trustee in bankruptcy or other person to exercise powers with respect to the Director's property or affairs; or

- 8.3.5 the Director resigns office by notice to the Association; or
 - 8.3.6 the Director 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 the Director's office be vacated; or
 - 8.3.7 the Director owes money to the Association which remains outstanding for more than sixty days after the date it was due to be paid and the Directors resolve that the Director's office be vacated.
- 8.4 The Directors shall have the power to suspend any Director from that office on such terms and for such period as they shall think fit (and subsequently to revoke that suspension) if in their discretion they consider it appropriate to do so following:
- 8.4.1 the commission of any criminal offence by such Director or receipt of a bona fide allegation of such an offence being committed; or
 - 8.4.2 a breach of any requirement of the Statutes or the Articles by such Director or receipt of a bona fide allegation of such a breach; or
 - 8.4.3 the conduct of a Director being such that it is likely adversely to affect the business and/or reputation of the Association; or
 - 8.4.4 a breach of the Rules by such Director or receipt of a bona fide allegation of such a breach.
- 8.5 Any Director so suspended shall not be entitled to attend or vote at any meeting of the Directors nor receive notice of any such meeting during the period of such suspension.

9. **REMUNERATION OF DIRECTORS**

- 9.1 Directors may undertake any services for the Association that the Board decide.
- 9.2 Directors may be remunerated as the Board determines.
- 9.3 Subject to the Articles, a Director's remuneration may:
 - 9.3.1 take any form; and
 - 9.3.2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- 9.4 Unless the Board decides otherwise, directors are not accountable to the Association for any remuneration which they receive as Directors or other officers or employees of the Association's subsidiaries or of any other body corporate in which the Association is interested.

10. **DIRECTORS' EXPENSES**

- 10.1 The Association may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:
 - 10.1.1 meetings of Directors or committees of Directors;
 - 10.1.2 general meetings; or
 - 10.1.3 otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Association.

11. **PROCEEDINGS OF THE BOARD, DECISION MAKING AND COMMITTEES**

- 11.1 The general rule about decision-making by the Board is that any decision of the Directors must be made either by a majority decision taken at a meeting or a decision taken in accordance with article 11.2.
- 11.2 A decision of the directors is taken in accordance with article 11.1 when all Eligible Directors indicate to each other by any means that they share a common view on a matter. 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.
- 11.3 The Board shall meet together at least four times in each year for the dispatch of business and adjourn and otherwise regulate their meeting as they think fit.
- 11.4 At a Board meeting five Directors shall be a quorum and, unless such quorum is participating, no proposal is to be voted on except to call another meeting.
- 11.5 Save as provided in the Rules, if at a Board meeting the total number of directors being in office is less than the quorum required, the Directors must not take any decision other than to:
- 11.5.1 appoint further directors; or
 - 11.5.2 call a general meeting so as to enable the Members to appoint further directors.
- 11.6 In case of an equality of votes at a Board meeting the Non-Executive Chair shall have a second or casting vote.
- 11.7 Any Director may call a meeting of the Board by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice.
- 11.8 Notice of a Board meeting must indicate:
- 11.8.1 its proposed date and time;
 - 11.8.2 where it is to take place; and
 - 11.8.3 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.
- 11.9 Notice of a Board meeting must be given to each Director, but need not be in writing.
- 11.10 Notice of a Board meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Association 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.
- 11.11 Subject to the Articles, Directors participate in a Board meeting, or part of a directors' meeting, when:
- 11.11.1 the meeting has been called and takes place in accordance with the Articles; and
 - 11.11.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.12 In determining whether Directors are participating in a Board meeting, it is irrelevant where any Director is or how they communicate with each other.
- 11.13 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.

- 11.14 The Non-Executive Chair shall act as Chair of all meetings of the Board but if the Non-Executive Chair is not present within fifteen minutes of the time appointed for the holding of the meeting the Directors then present shall appoint an acting Chair to preside over the meeting.
- 11.15 A meeting of the Board at which a quorum is present shall be competent to exercise all the authorities, powers and discretions by or under the Articles and the Rules of the Association for the time being vested in the Board generally.
- 11.16 Provided that they have declared to the Board, in accordance with the provisions of these Articles, the nature and extent of his or her interest, a member of the Board may (save as to the extent not permitted by law from time to time), notwithstanding his or her office, have an interest of the following kind; namely:
- 11.16.1 where a member of the Board (or a person connected with him or her) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, or arrangement, or transaction with the Association or any other undertaking in which the Association is in any way interested;
- 11.16.2 where a member of the Board (or a person connected with him or her) is a director, employee or other officer of, or a party to any contract, arrangement, or transaction with, or in any way interested in, any body corporate promoted by the Association or in which the Association is in any way interested;
- 11.16.3 where a member of the Board (or a person connected with him or her) is a shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Association (as such terms are defined in section 1162 of the Act);
- 11.16.4 where a member of the Board (or a person connected with him or her) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) under the Association or body corporate in which the Association is in any way interested;
- 11.16.5 where a member of the Board is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Association or any body corporate in which the Association is in any way interested;
- 11.16.6 where a member of the Board (or a person connected with them or of which they are a member or employee) acts (or any body corporate promoted by the Association or in which the Association is in any way interested of which they are a director, employee or other officer acts) in a professional capacity for the Association or any body corporate promoted by the Association or in which the Association is in any way interested (other than as auditor) whether or not they or it is remunerated for this;
- 11.16.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 11.16.8 any other interest authorised by ordinary resolution of the Association.
- 11.17 For the purposes of this article, an interest of which a member of the Board is not aware and of which it is unreasonable to expect him or her to be aware shall not be treated as an interest of his or her.
- 11.18 In any situation permitted by this article (save as otherwise agreed by him or her) a member of the Board shall not by reason of his or her office be accountable to the Association for any benefit they derive from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit,
- 11.19 Any authority given in accordance with sections 175(4)-(6) of the Act in respect of a member of the Board ("**Interested Director**") who has proposed that the Directors authorise his or her interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:

- 11.19.1 be given on such terms, and subject to such conditions or limitations as may be imposed by the authorising members of the Board as they see fit from time to time, including, without limitation:
 - 11.19.1.1 restricting the Interested Director from voting on any resolution put to a meeting of the Board or of a committee of the Board in relation to the Relevant Interest; or
 - 11.19.1.2 restricting the Interested Director from being counted in the quorum at a meeting of the Board or of a committee of the Board where such Relevant Interest is to be discussed;
 - 11.19.2 be withdrawn, or varied at any time by the members of the Board entitled to authorise the Relevant Interest as they see fit from time to time; and
 - 11.19.3 an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising directors pursuant to section 174(4)(b) and this article 11.
- 11.20 The Board may give authorisation of conflicts of interest in relation to members of the Board pursuant to section 175(5)(a) of the Act.
- 11.21 Subject to section 182 of the Act, a member of the Board shall declare the nature and extent of any interest permitted by article 11.16 at a meeting of the Board, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the directors may determine, except that no declaration of interest shall be required by a member of the Board in relation to an interest:
- 11.21.1 falling under article 11.16.7;
 - 11.21.2 if, or to the extent that, the other members of the Board are already aware of such interest (and for this purpose the other members of the Board are treated as aware of anything of which they ought reasonably to be aware); or
 - 11.21.3 if or to the extent that, it concerns the terms of his or her service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Board, or by a committee of the Board appointed for the purpose under these Articles.
- 11.22 Provided (if these Articles so require) that they have declared to the Board, in accordance with the provisions of these Articles, the nature and extent of his or her interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a member of the Board may vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which they have an interest, whether a direct or indirect interest, or in relation to which they have a duty, and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 11.23 If a question arises at a meeting of the Board, or any committee thereof, as to the right of a Director to vote on any resolution the question may before the conclusion of the meeting be referred to the Non-Executive Chair of the meeting and the Non-Executive Chair's ruling in relation to any Director, other than the Non-Executive Chair, shall be final and conclusive.
- 11.24 Subject to section 239 of the Act, the Association may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this article.
- 11.25 For the purposes of this article:
- 11.25.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
 - 11.25.2 the provisions of section 252 of the Act shall determine whether a person is connected with a member of the Board; and

- 11.25.3 a general notice to the Board that a Board member 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 member of the Board has an interest in any such transaction of the nature and extent so specified.
- 11.26 Subject to the Articles from time to time, the Board may, in its absolute discretion and as it thinks fit, appoint and may delegate any of its powers which are confirmed to it under these Articles to such committees as they may wish to appoint and delegate their function in accordance with the procedures set out by the Board from time to time and, where applicable, the Rules.
- 11.27 Committees to which the Board delegate any of their powers must follow the procedures set out by the Board from time to time.
- 11.28 All bona fide acts done by any meeting of the Board or of any Committee of the Board, or by any person acting as a member of the Board, shall, notwithstanding it be afterwards discovered that there was some defect in either their appointment or their continuance in office of any such Member or person, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified to be a member of the Board.
- 11.29 The Board shall cause proper minutes to be made of all appointments of officers made by the Board and of the proceedings of all meetings of the Association and of the Board and of Committees of the Board, and all business transacted at such meetings, and any such minutes of any meeting, if purporting to be signed by the Chair of such meeting, or by the Chair of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts contained within those minutes. Such minutes shall be kept for 10 years from the date of the decisions recorded.
- 11.30 A resolution in writing signed by all the Members for the time being of the Board or of any Committee of the Board who are entitled to receive notice of a meeting of the Board or of such Committee shall be as valid and effectual as if it had been passed at a meeting of the Board or of such Committee duly convened and constituted.

12. **BORROWING**

The Board may exercise all the powers of the Association to borrow money and to mortgage or charge its property or any part thereof and to issue or give any security whether outright or as security for any debt liability or obligation of the Association.

13. **RULES**

The Board may add, alter or revoke such Rules for the governance and advantage of the Association, its Members and/or any class or category of Member and property as it may think fit and for the furtherance of the objects and purposes of the Association provided always that such Rules or any addition, alteration or revocation to the same shall not be contrary to these Articles or the provisions of the Statutes.

14. **ACCOUNTS**

- 14.1 The Board shall cause accounting records to be kept in accordance with the Statutes.
- 14.2 The accounting records shall be kept at the Office, or, subject to the Statutes, at such other place or places as the Board shall think fit, and shall always be open to the inspection of the Directors.
- 14.3 The Board shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounting records of the Association or any of them shall be open to the inspection of Members not being members of the Board and

no Member (not being a member of the Board) shall have any right of inspecting any account or book or document of the Association except as conferred by Statute or authorised by the Board or by the Association in general meeting.

- 14.4 At the Annual General Meeting in every year the Board shall lay before the Association a proper income and expenditure account for the period since the last preceding account made up to date not more than six months before such meeting, together with a proper balance sheet made up as at the same date. Every such balance sheet shall be accompanied by proper reports of the Board and the Auditors, and copies of such account, balance sheet and reports (all of which shall be framed in accordance with any statutory requirements for the time being in force) and, of any other documents required by law to be annexed or attached to them or to accompany the same, shall not less than fourteen Clear Days before the date of the meeting, be sent to the Auditors and to all other persons entitled to receive notices of general meetings in the manner required by the Acts and/or these Articles. The Auditors' report shall be open to inspection and be read before the meeting.

15. **AUDIT**

Once at least in every year the accounts of the Association shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.

16. **NOTICES AND MEANS OF COMMUNICATION**

- 16.1 Subject to the Articles, the Association may send or supply documents or information to Members, Directors or others to whom the same are required to be given by making them available on a website or other electronic means or in any other way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Association.

- 16.2 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.

- 16.3 A Director may agree with the Association 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.

- 16.4 Any Member described in the register of Members by an address not within the United Kingdom, who shall from time to time give the Association an address within the United Kingdom at which notices may be served upon such Member, shall be entitled to have notices served upon such Member at such address but, save as aforesaid and as provided by the Act, only those Members who are described in the register of members by an address within the United Kingdom shall be entitled to receive notices from the Association.

- 16.5 Any notice, if served by post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into the post office as a prepaid letter. Any notice or document that is supplied or given electronically shall be deemed to have been served 24 hours after sending.

- 16.6 Notice of every general meeting shall be given in the form prescribed by these Articles to every Member who in accordance with the regulations concerning voting rights has the right to vote at a general meeting except those members who (having no registered address in the United Kingdom) have not supplied to the Association an address within the United Kingdom for the giving of notices to them.

- 16.7 No other person shall be entitled to receive notice of the general meetings.

17. **DIRECTOR'S INDEMNITY**

- 17.1 Subject to article 17.2, a Relevant Director (as defined below) of the company or an associated company may be indemnified out of the company's assets against:
- 17.1.1 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;
 - 17.1.2 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);
 - 17.1.3 any other liability incurred by that director as an officer of the company or an associated company.
- 17.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 17.3 In this article:
- 17.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 17.3.2 a **Relevant Director** means any director or former director of the company or an associated company.
18. **DIRECTORS' INSURANCE**
- 18.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director (as defined below) in respect of any Relevant Loss (as defined below).
- 18.2 In this article:
- 18.2.1 a **Relevant Director** means any director or former director of the company or an associated company;
 - 18.2.2 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
 - 18.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.