COMPANY NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

CHILMINGTON MANAGEMENT ORGANISATION

PART A. INTRODUCTION

1 INTERPRETATION

1.1 In these Articles:

"the Acts"	means the Companies Acts (as defined in Section 2 of the Companies Act 2006) insofar as they apply to the Company and any statutory modification or re-enactment thereof for the time being in force
"Area of Benefit"	means the Chilmington Green Area Action Plan area in Ashford Kent as delineated on the plan attached as Appendix 1 or such greater area as the Board may agree
"the Articles"	means these Articles of Association of the Company
"the Board"	means the board of Directors of the Company and (where appropriate) includes a Committee and the Directors acting by written resolution
"Board Meeting"	means a meeting of the Board
"Business Day"	means any day other than a Saturday, Sunday, bank holiday or public holiday
"Chair"	means (subject to the context) either the person elected as chair of the Company under Article 27 or where the chair of the Company is not present or has not taken the chair at a meeting means the person who is chairing a Board Meeting or General Meeting at the time
"Charity Commission"	means the Charity Commission for England and Wales
"Clear Days"	in relation to a period of notice means the 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 exercising powers delegated to it by the Board
"Companies House"	means the office of the Registrar of Companies (England and Wales) of Companies House Crown Way Cardiff CF14 3UZ or any successor in title to the statutory function
"the Company"	means the company intended to be regulated by the

Articles

"Company Member"	means a member for the time being of the Company who is admitted under Article 6
"the Council"	means Ashford Borough Council of Civic Centre, Tannery lane, Ashford, Kent, TN23 1PL
"the Councils"	means the Council and Kent County Council
"the Developers"	means the Lead Developer Blue Land, the Lead Developer Light Green Land, the Lead Developer Dark Green Land and the Lead Developer Orange Land or (as the context may require) one or the relevant one of these
“the Development”	means the development approved in outline by the Planning Permission
"Director"	means any director of the Company who is appointed under Article 19
"Dwelling"	means a residential unit the owner of which is under an obligation to pay an Estate Rentcharge
“Estate Rentcharge”	means a rentcharge payable to the Company in relation to services provided by the Company
"General Meeting"	means a meeting of Company Members (including notwithstanding Article 10.2 an Annual General Meeting)
"Housing Associations"	means those registered providers of social housing owning Dwellings in the Area of Benefit
"including"	means "including without limitation" and "include" and "includes" are to be construed accordingly
“Kent County Council”	means The Kent County Council of County Hall, Maidstone Kent, ME14 1XQ
“Lead Developer Blue Land”	means BDW Trading Limited (company number 03018173) or such other developer having an interest in the land coloured blue on the plan attached at Appendix 2 as may be nominated in writing to the Company as lead developer in respect of that land by BDW Trading Limited (or by the then current Lead Developer Blue Land if it is no longer BDW Trading Limited)
“Lead Developer Light Green Land”	means Chelmden Limited (company number 10321428) or such other developer having an interest in the land coloured light green on the plan attached at Appendix 2 as may be nominated in writing to the Company as lead developer in respect of that land by Chelmden Limited (or by the then current Lead Developer Light Green Land if it is no longer Chelmden Limited)

“Lead Developer Dark Green Land”	means Malcolm Jarvis Homes Limited (company number 04470416) or such other developer having an interest in the land coloured dark green on the plan attached at Appendix 2 as may be nominated in writing to the Company as lead developer in respect of that land by Malcolm Jarvis Homes Limited (or by the then current Lead Developer Dark Green Land if it is no longer Malcolm Jarvis Homes Limited)
“Lead Developer Orange Land”	means Hodson Developments (Ashford) Limited (company number 07468189) or such other developer having an interest in the land coloured orange on the plan attached at Appendix 2 as may be nominated in writing to the Company as lead developer in respect of that land by Hodson Developments (Ashford) Limited (or by the then current Lead Developer Orange Land if it is no longer Hodson Developments (Ashford) Limited)
“Main Phase 1”	has the meaning defined in the Section 106 Agreement
“Main Phase 2”	has the meaning defined in the Section 106 Agreement
“Main Phase 3”	has the meaning defined in the Section 106 Agreement
“Main Phase 4”	has the meaning defined in the Section 106 Agreement
"the Memorandum"	means the Memorandum of Association of the Company
"the Objects"	means the objects of the Company set out in Article 3
"Observers"	means those persons (other than Directors and the Secretary) present under Article 29 at a Board Meeting
"Occupation"	means the beneficial occupation (excluding squatters and trespassers) of any building comprising part of the Development for its designated planning use but for the avoidance of doubt shall not include occupation or occupants who occupy for the purposes of construction, fitting out, decoration, commissioning, advertising, marketing, security, display, management of the Area of Benefit or parking relating to those purposes and "Occupy" "Occupiers" "Occupancy" and "Occupied" shall be construed accordingly
"Parish Councils"	means Great Chart with Singleton Parish Council, Kingsnorth Parish Council, and Shadoxhurst Parish Council
"Planning Act"	means the Town and Country Planning Act 1990 (as amended)
"Planning Permission"	means the outline planning permission dated 6

	January 2017 granted by the Council under reference 12/00400/AS
"Registered Office"	means the registered office of the Company
"Resident"	means a person who Occupies a Dwelling within the Area of Benefit
"Section 106 Agreement"	means the agreement under section 106 of the Planning Act dated 27 February 2017 for the Development
"Secretary"	means the secretary of the Company including a joint, assistant or deputy secretary
"Senior Officers"	means the most senior executive and such other senior members of staff as the Board may designate as such
"Tenants"	means individuals Occupying a Dwelling in the Area of Benefit under an assured or assured shorthold tenancy
"United Kingdom"	means Great Britain and Northern Ireland
"Vice-Chair"	means a person elected as a vice-chair of the Company under Article 27
"Working Party"	means a body established by the Board to make recommendations to the Board but without decision-making powers, including community groups or fora.

1.2 In the Articles:

1.2.1 terms defined in the Acts are to have the same meaning;

1.2.2 references to the singular include the plural and vice-versa and to the masculine include the feminine and neuter and vice-versa;

1.2.3 references to "organisations" or "persons" include corporate bodies, public bodies, unincorporated associations and partnerships;

1.2.4 references to legislation, regulations, determinations and directions include all amendments, replacements or re-enactments and references to legislation (where appropriate) include all regulations, determinations and directions made or given under it;

1.2.5 references to articles are to those within the Articles; and

1.2.6 headings are not to affect the interpretation of the Articles.

1.3 For the avoidance of doubt the system of law governing the Memorandum and the Articles is the law of England and Wales

1.4 None of the model articles in the Companies (Model Articles) Regulations 2008 applies to the Company.

2 NAME

The name of the Company is **Chilmington Management Organisation.**

3 OBJECTS

The Company's Objects are specifically restricted to the following:-

3.1 to promote the benefit of the residents of the Area of Benefit without distinction of sex, sexual orientation, race, or of political religious or other opinions by associating together with the said residents, the local authorities, voluntary and other organisations, with a common effort to:

3.1.1 provide and maintain accessible green open spaces;

3.1.2 promote the conservation, protection, management, maintenance and improvement of the physical and natural environment; and

3.1.3 provide facilities in the interests of social welfare for education, recreation, mental and physical health and wellbeing and leisure time occupation with the object of improving the conditions of life for the said inhabitants;

3.2 the advancement of community development and citizenship for the public benefit in the Area of Benefit, by the promotion of good citizenship and volunteering by encouraging local people to take an active interest in the civic, cultural and social welfare of the community.

4 POWERS

The Company may do anything that a natural or corporate person can lawfully do which is not expressly prohibited by the Articles in order to further the Objects (but not otherwise) and in particular it has powers:

Staff and Volunteers

4.1 to employ staff or engage consultants and advisers on such terms as the Board thinks fit and to provide pensions to staff, their relatives and dependants;

4.2 to recruit or assist in recruiting and managing voluntary workers, including paying their reasonable expenses;

Property

4.3 to purchase, lease, exchange, hire or otherwise acquire any real or personal property rights or privileges (including shared or contingent interests);

4.4 to construct, alter, improve, convert, maintain, equip, furnish and/or demolish any buildings, structures or property;

4.5 to sell, lease, license, exchange, dispose of or otherwise deal with property (subject to the restrictions in the Charities Act 2011);

4.6 to provide accommodation for any other charitable organisation on such terms as the Board decides (including rent-free or at nominal or non-commercial rents) subject to the restrictions in the Charities Act 2011;

Borrowing

4.7 to borrow and give security for loans;

Grants and Loans

4.8 to make and receive grants, donations or loans, to give guarantees and to give security for those guarantees (subject to the restrictions in the Charities Act 2011);

Fund Raising

4.9 to raise funds, to invite and receive contributions;

Trading

4.10 to trade in the course of carrying out the Objects and to charge for services;

Publicity

4.11 to hold, conduct or promote meetings, conferences, lectures, exhibitions or training courses and to disseminate information to publicise the work of the Company and other organisations operating in similar fields;

4.12 to promote or carry out research and publish the results of it;

Contracts

4.13 to co-operate with and enter into contracts with any person;

Bank or building society accounts

4.14 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank or building society accounts in the name of the Company;

Investments

4.15 to:-

4.15.1 deposit or invest funds;

4.15.2 employ a professional fund-manager; and

4.15.3 arrange for the investments or other property of the Company to be held in the name of a nominee

in the same manner and subject to the same conditions as trustees of a trust are permitted to do by the Trustee Act 2000;

Insurance

4.16 to insure the assets of the Company to such amount and on such terms as the Board decides, to pay premiums out of income or capital and to use any insurance proceeds as the Board decides (without necessarily having to restore the asset);

4.17 to insure and to indemnify the Company's employees and voluntary workers from and against all risks incurred in the proper performance of their duties;

4.18 to take out insurance to protect the Company and those who use premises owned by or let or hired to the Company;

4.19 to provide indemnity insurance for the Directors in accordance with, and subject to the conditions in, the Charities Act 2011;

Other Organisations

4.20 to establish, promote, assist or support (financially or otherwise) any trusts, companies, registered societies, associations or institutions which have purposes which include the Objects or to carry on any other relevant charitable purposes;

4.21 to co-operate or join with any charity, voluntary body or public or statutory authority or any other organisation in any location whatsoever in furthering the Objects or allied charitable purposes, to exchange information and advice and to undertake joint activities with them;

4.22 to amalgamate with any charity which has objects similar to the Objects;

4.23 to undertake and execute any charitable trusts;

4.24 to affiliate, register, subscribe to or join any organisation;

4.25 to act as agent or trustee for any organisation;

Reserves

4.26 to accumulate income in order to set aside funds for special purposes or as reserves against future expenditure;

Formation expenses

4.27 to pay the costs of forming the Company and of complying with all relevant registration requirements; and

General

4.28 to do anything else within the law which is incidental and conducive to the Objects.

5 APPLICATION OF FUNDS

5.1 **General**

The income and property of the Company must be applied solely towards promoting the Objects and (except to the extent authorised by this Article 5):

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

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

5.2 **Benefits to Company Members**

Notwithstanding Article 5.1, the Company may make the following payments or grant the following benefits to Company Members:-

Interest and Rent

5.2.1 reasonable and proper interest on money lent by any Company Member to the Company;

5.2.2 reasonable rent, service charges or other payments properly payable under the provisions of any lease, agreement for lease or licence in respect of premises let by any Company Member to the Company or a reasonable hiring

fee for premises hired by any Company Member to the Company;

Supply of Goods or Services

5.2.3 reasonable payments to a Company Member in return for goods and/or services supplied to the Company pursuant to a contract;

Out of Pocket Expenses

5.2.4 reasonable and proper out of pocket expenses to Company Members who are engaged by the Company as volunteers in the work of the Company and which are actually incurred by them in carrying out their work as volunteers; and

Benefits to Company Members

5.2.5 the grant of a benefit to a Company Member who is a beneficiary of the Company in the furtherance of the Objects.

5.3 **Benefits to Directors**

Notwithstanding Article 5.1, the Company may make the following payments or grant the following benefits to Directors:-

Out of pocket expenses

5.3.1 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;

5.3.2 reasonable and proper out of pocket expenses to those Directors who are engaged by the Company as volunteers in the work of the Company and which are actually incurred by them in carrying out their work as volunteers;

Indemnity

5.3.3 an indemnity in respect of any liabilities properly incurred in running the Company (including the costs of a successful defence to criminal proceedings);

5.3.4 the benefit of indemnity insurance under Article 4.19;

Fees to companies in which Directors have negligible interests

5.3.5 a payment to a listed company in which a Director has less than a 1% shareholding;

Interest and Rent

5.3.6 reasonable and proper interest on money lent by any Director to the Company;

5.3.7 reasonable rent, service charges or other payments properly payable under the provisions of any lease, agreement for lease or licence in respect of premises let by any Director to the Company or a reasonable hiring fee for premises hired by any Director to the Company;

Beneficiaries

5.3.8 benefits provided in furtherance of the Objects to Directors who are

beneficiaries of the Company where those benefits are the same as or similar to benefits provided to other beneficiaries;

Employment/Supply of Goods and Services

5.3.9 payments to a Director who is employed by the Company or who enters into a contract for the supply of goods or services to the Company (other than for acting as a Director) provided that:-

5.3.9.1 the remuneration or other sums paid to the Director concerned do not exceed an amount that is reasonable in all the circumstances;

5.3.9.2 the Director is absent from the part of any Board Meeting at which there is a discussion of his employment or remuneration or any matter concerning the contract, his performance in the employment or his performance of the contract, any proposal to enter into any other contract or arrangement with him or to confer any benefit upon him and/or any other matter relating to payment or the conferring of any benefit to him;

5.3.9.3 the Director does not vote on any such matter and is not counted when calculating whether a quorum of Directors is present for that part of the Board Meeting;

5.3.9.4 the other Directors are satisfied that it is in the interests of the Company to employ or to contract with the Director rather than with someone who is not a Director. In reaching that decision the Directors must balance the advantage of employing or contracting with the Director against the disadvantages of doing so (especially the loss of the Director's services as a result of dealing with the Director's conflict of interest);

5.3.9.5 the reason for the Directors' decision is recorded in the minutes of the Board Meeting; and

5.3.9.6 at no time shall a majority of the Directors receive payment pursuant to this Article 5.3.9.

The employment or remuneration of a Director pursuant to this Article includes the engagement or remuneration of any firm or company in which the Director is a partner, an employee, a consultant, a director or a shareholder, unless the shares of the company are listed on a recognised stock exchange and the Director holds less than 1% of the issued capital;

Exceptional Circumstances

5.3.10 other payments or benefits (approved in writing in advance by the Charity Commission) in exceptional cases.

5.4 The provisions in this Article 5 on the making of payments and the granting of benefits by the Company to Directors shall also extend to payments made to Directors by any other company in which the Company

5.4.1 holds more than 50% of the shares; or

5.4.2 controls more than 50% of the voting rights attached to the shares; or

5.4.3 has the right to appoint one or more directors to its board.

5.5 For the purposes of Article 5.3 a payment to or a benefit granted to a dependant relative

or the spouse of the Director or any person living with the Director as his partner shall be deemed to be a payment to the Director and shall be permitted to the same extent that payments to or benefits granted to Directors are permitted.

5.6 **Amendments**

This Article may not be amended without the prior written consent of the Charity Commission.

PART B. COMPANY MEMBERSHIP

6 COMPANY MEMBERS

6.1 The Company Members are:-

6.1.1 the subscribers to the Memorandum; and

6.1.2 others admitted to membership of the Company by the Board under the Articles.

7 ADMISSION OF COMPANY MEMBERS

7.1 A person may not be admitted by the Board as a Company Member:-

7.1.1 unless he has signed a written application to become a Company Member in such form as the Board requires;

7.1.2 for such period as the Board may deem appropriate if he has ceased to be a Company Member by reason of his having been removed as a Director under Article 21;

7.1.3 if he is in arrears of payments due to the Company by 45 days or more in respect of any estate rentcharge, service charge and/or any other charges or sums owed to the Company unless the Board resolves that there is good reason for the delay in making such payment;

7.1.4 unless he is either a Resident or appointed as a Director under Article 19;

7.1.5 If he is a Resident and there is already a Company Member that is a member of the same household (unless the latter is a Company Member by virtue of having been appointed as a Director under Article 19);

7.1.6 unless he is aged 18 or over; or

7.1.7 if he would immediately cease to be a Company Member or Director under the Articles.

7.2 Subject to Article 7.1, if a person is a Resident and has signed a written application pursuant to Article 7.1.1 then the Board shall admit him as a Company Member.

7.3 Company membership is personal and not transferable.

8 TERMINATION OF COMPANY MEMBERSHIP

A person will cease to be a Company Member:-

8.1 on delivering written notice of resignation to the Registered Office;

8.2 if he dies, or being an organisation passes a resolution for winding up or otherwise ceases to exist;

8.3 if, having been a Resident on becoming a Company Member, he ceases to be a Resident (unless he is also a Director appointed under Articles 19.2.1 to 19.2.6 or Article 19.2.8);

8.4 if he became a Company Member by virtue of his appointment as a Director under Articles 19.2.1 to 19.2.6 or Article 19.2.8, and he ceases to hold office as a Director;

8.5 if, being a Resident and not being a Director, he is or becomes in arrears of payments due to the Company by 45 days or more in respect of estate rentcharge, service charge and/or any other charges or sums owed to the Company provided that he shall first have had reasonable opportunity to explain to the Board why he should not be removed; or

8.6 if, being a Resident and not being a Director, the Board resolves to terminate his membership due to his conduct being detrimental to the interests of the Company provided that he shall first have had reasonable opportunity to explain to the Board why he should not be removed.

9 LIABILITY OF COMPANY MEMBERS

9.1 The liability of the Company Members is limited.

9.2 Every Company Member promises, if the Company is wound up whilst he is a Company Member or within one year after ceasing to be a Company Member, to contribute such amount as is required up to a maximum of £1 towards:

9.2.1 winding up the Company;

9.2.2 the payment of the debts and the payment of the costs, charges and expenses or liabilities incurred whilst the contributor was a Company Member; and

9.2.3 the adjustment of the rights of the contributories among themselves.

PART C. GENERAL MEETINGS

10 GENERAL MEETINGS

10.1 The Company shall hold an Annual General Meeting each calendar year, to be held at such time and place as the Board decides subject to Article 11. The business of the Annual General Meeting shall be:

10.1.1 to (re-)appoint Directors (if necessary);

10.1.2 to receive the annual report of the Board;

10.1.3 to consider the accounts and the auditors' report;

10.1.4 to appoint the auditors (if necessary); and

10.1.5 to transact any other business specified in the notice convening the meeting.

10.2 Any other meeting of the Company Members other than the Annual General Meeting shall be called a General Meeting. The Board may call a General Meeting at any time, to be held at such time and place as the Board decides subject to Article 11.

10.3 On receiving a requisition from the percentage of Company Members required under the Acts the Board must promptly convene a General Meeting.

11 NOTICE OF GENERAL MEETINGS

11.1 Every General Meeting must be called by at least 14 Clear Days' notice.

11.2 A General Meeting may be called by shorter notice if this is agreed by a majority in number of the Company Members who may attend and vote and who together hold 90% or more of the total voting rights of all of the Company Members at the General Meeting.

11.3 The notice must specify:-

11.3.1 the time, date and place of the General Meeting;

11.3.2 if it is the Annual General Meeting, that it is such;

11.3.3 the general nature of the business to be transacted; and

11.3.4 if a special resolution is proposed, the fact that the proposed resolution is a special resolution and the wording of the resolution.

11.4 Subject to the Acts no business may be transacted at a General Meeting except that specified in the notice convening the meeting.

11.5 Notice of a General Meeting must be given to all of the Company Members, the Directors, and to the Company's auditors (if any).

11.6 The accidental omission to give notice of a General Meeting to, or the non-receipt of notice of a General Meeting by any person entitled to receive notice will not invalidate the proceedings at that General Meeting.

12 QUORUM

12.1 No business may be transacted at a General Meeting unless a quorum is present.

12.2 Subject to Article 12.3, the quorum for General Meetings is 5% or 75 of the Company Members for the time being present in person or by proxy whichever is the lower, provided always that a General Meeting shall only be quorate if:

12.2.1 at least one Company Member who is a Director appointed by the Council or the Councils is present; and

12.2.2 at least two other Company Members who are also appointed as Directors under Articles 19.2 or 19.6 are also present.

12.3 At a General Meeting which has been called to consider any special resolution, the meeting shall only be quorate if at least one (1) Company Member who is a Director appointed by the Council or the Councils under Article 19.2.1 and at least two Company Members who are appointed as Directors under Articles 19.2.2 to 19.2.5 or Article 19.6 are present.

12.4 A Company Member may be part of the quorum at a General Meeting if he can hear, comment and vote on the proceedings through telephone, video conferencing or other communications equipment.

12.5 If a quorum is not present within 15 minutes from the time of the General Meeting or a quorum ceases to be present during a General Meeting it must be adjourned to such time and place as the Board decides.

12.6 If at the adjourned meeting there are again insufficient Company Members present within 15 minutes from the time of the adjourned General Meeting to constitute a quorum then the meeting shall be dissolved.

12.7 Reasonable notice of an adjournment of a General Meeting because of a lack of quorum and the time and place of the adjourned General Meeting must be given to all Company Members.

13 CHAIR AT GENERAL MEETINGS

13.1 The Chair is to chair every General Meeting.

13.2 If the Chair is not present within 15 minutes from the time of the General Meeting or is unwilling to act then the Vice-Chair, if any, must chair the General Meeting.

13.3 If neither the Chair nor the Vice-Chair, if any, is present and willing to act within 15 minutes from the time of the General Meeting, the Company Members present must choose one of their number to chair the General Meeting.

14 ADJOURNMENT OF GENERAL MEETINGS

14.1 The Chair may, with the consent by simple majority of a General Meeting at which a quorum is present (and must if so directed by a resolution of the General Meeting), adjourn it to a time and place agreed by the General Meeting.

14.2 The Chair may also adjourn a General Meeting if it appears to the Chair that for any other reason an adjournment is necessary for the business of the meeting to be properly conducted.

14.3 The only business that may be transacted at an adjourned General Meeting is that left unfinished from the General Meeting that was adjourned.

14.4 It is not necessary to give notice of a General Meeting which is adjourned under Article 14.1 or 14.2 unless it is adjourned for 30 days or more in which case 7 Clear Days' notice must be given.

14.5 Resolutions passed at an adjourned General Meeting are to be treated as having been passed on the date on which they were actually passed.

15 VOTING AT GENERAL MEETINGS

15.1 Resolutions at General Meetings are to be decided on a show of hands unless a ballot is properly demanded.

15.2 Subject to Article 15.3, at a General Meeting each Company Member present in person or by proxy has one vote both on a show of hands and a ballot and on a vote on a written resolution every Company Member shall have one vote.

15.3 The Company Members voting who are Residents shall (whether on a show of hands or a ballot at a General Meeting, or on a written resolution) have a maximum of 50% of the votes divided equally between them, and in that event the other 50% of votes shall be divided equally between the other Company Members voting.

15.4 If there is an equality of votes on a show of hands or a ballot the Chair is not entitled to a second or casting vote.

15.5 An objection to the qualification of any voter may only be raised at the General Meeting at which the vote objected to is tendered. Every vote not disallowed at the General Meeting is valid. An objection made in time must be referred to the Chair whose decision is final.

15.6 A declaration by the Chair that a resolution has been carried (or not carried) unanimously, or by a particular majority, which is entered into the minutes of the meeting is conclusive evidence of the fact unless a ballot is demanded.

16 BALLOTS

16.1 A ballot may be demanded by the Chair or by any two Company Members before or on the declaration of the result of a show of hands.

16.2 A demand for a ballot may be withdrawn before the ballot is taken. If the demand for a ballot is withdrawn the result of the show of hands will stand.

16.3 The demand for a ballot will not prevent the General Meeting continuing to transact business other than in relation to the question on which the ballot is demanded.

16.4 A ballot is to be taken as the Chair directs. The Chair may appoint scrutineers (who need not be Company Members) and set a time and place to declare the result. The result will be the resolution of the General Meeting at which the ballot was demanded but will be treated as passed when the result is declared.

16.5 A ballot on the election of a Chair or an adjournment must be taken immediately. A ballot on any other question may be taken either immediately or at such time and place as the Chair directs.

16.6 At least 7 Clear Days' notice must be given of the time and place at which the ballot is to be taken unless the time and place are announced at the General Meeting at which it is demanded.

17 PROXIES

17.1 A Company Member may validly appoint a proxy by notice in writing which

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

17.1.2 identifies the person appointed to be that member’s proxy and the General Meeting in relation to which that person is appointed;

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

17.1.4 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.

17.2 A proxy need not be a Company Member. The Board may from time to time prescribe a form to appoint a proxy by standing orders made under Article 38. A proxy may not appoint another proxy.

17.3 The document appointing a proxy may instruct the proxy which way to vote on particular resolutions.

17.4 A proxy will only be valid if the document appointing a proxy (and any power of attorney

or other authority (if any) under which it is signed) or a properly certified copy is deposited at the Registered Office at least 24 hours before the starting time for the General Meeting or adjourned General Meeting at which the proxy proposes to vote.

17.5 No document appointing a proxy will be valid for more than 12 months.

17.6 A vote given or ballot demanded by proxy is to be valid despite:-

17.6.1 the revocation of the proxy; or

17.6.2 the death or insanity of the principal

unless written notice of the death, insanity or revocation is received at the Registered Office before the start of the General Meeting or adjourned General Meeting at which the proxy is used.

17.7 A proxy form will not be valid for any part of a General Meeting at which the Company Member who appointed the proxy is present.

18 COMPANY MEMBERS' WRITTEN RESOLUTIONS

18.1 Subject to Article 15.3, a written resolution approved by eligible Company Members casting a simple majority of the votes (or in the case of a special resolution by eligible Company Members casting not less than 75% of the votes) of eligible Company Members (provided that those Company Members would constitute a quorum at a General Meeting) is as valid as if it had been passed at a General Meeting provided that:

18.1.1 a copy of the proposed resolution has been sent to every eligible Company Member;

18.1.2 the relevant eligible Company Members have signified their agreement to the resolution; and

18.1.3 such agreement is contained in an authenticated document that has been received at the Registered Office within the period of 28 days beginning with the circulation date.

18.1.4 A resolution under Article 18.1 may consist of several documents in similar form each approved by one or more Company Members.

PART D. DIRECTORS

19 APPOINTMENT OF DIRECTORS

19.1 The first Directors shall be those named in the registration documents as sent to Companies House.

19.2 Subject to Article 19.3:

19.2.1 During the first two years following incorporation, the Council shall have the right to appoint up to two persons as Directors in accordance with Article 19.5. Following that time, the Councils shall each have the right to appoint one person as a Director in accordance with Article 19.5;

19.2.2 subject to Article 19.6, the Lead Developer Orange Land shall have the right to appoint up to two Directors whilst the land coloured orange on the plan attached at Appendix 2 can be built upon under the Planning Permission, in accordance with Article 19.5;

19.2.3 subject to Article 19.6, the Lead Developer Blue Land shall have the right to appoint one Director whilst the land coloured blue on the plan attached at Appendix 2 can be built upon under the Planning Permission, in accordance with Article 19.5;

19.2.4 subject to Article 19.6, the Lead Developer Dark Green Land shall have the right to appoint one Director whilst the land coloured dark green on the plan attached at Appendix 2 can be built upon under the Planning Permission, in accordance with Article 19.5;

19.2.5 subject to Article 19.6, the Lead Developer Light Green Land shall have the right to appoint one Director whilst the land coloured light green on the plan attached at Appendix 2 can be built upon under the Planning Permission, in accordance with Article 19.5;

19.2.6 the Housing Associations shall have the right collectively to appoint one person as a Director in accordance with Article 19.5;

19.2.7 the Board shall use reasonable endeavours to appoint Residents as Directors in accordance with Article 19.8; and

19.2.8 the Board shall use reasonable endeavours to appoint one person with experience in the voluntary sector to serve as a Director.

19.3 No person may be appointed as a Director:

19.3.1 unless he/she is over 18;

19.3.2 where he/she is disqualified for membership of a local authority otherwise than by being employed by a local authority or a controlled company ;

19.3.3 if he/she would immediately cease to be a Director under Article 21.

19.4 The appointment of a Director is not to take effect until he has confirmed his consent to act as required by Companies House. The appointment of any person as a Director who has not done so within one month of appointment is to lapse unless the Board resolves that there is good cause for the delay.

19.5 Subject to Articles 19.3 and 19.4 the appointment or removal of a Director under any of Articles 19.2.1 to 19.2.6, Article 19.6 and Article 21.1.2 is to take effect when the appointing body gives written notice of the appointment or removal to:

19.5.1 the Registered Office;

19.5.2 a Board Meeting; or

19.5.3 the Secretary in person.

19.6 Where:

19.6.1 by reason of the land coloured blue on the plan attached at Appendix 2 no longer being able to be built upon under the Planning Permission the Lead Developer Blue Land ceases to have a right to appoint a Director under Article 19.2.3 the Lead Developer Orange Land shall have the right to appoint an additional director whilst the land coloured orange on the plan attached at Appendix 2 can be built upon under the Planning Permission, in accordance with Article 19.5; and

19.6.2 by reason of the land coloured dark green on the plan attached at Appendix 2 no longer being able to be built upon under the Planning Permission the Lead Developer Dark Green Land ceases to have a right to appoint a Director under Article 19.2.4 the Lead Developer Orange Land shall have the right to appoint an additional director whilst the land coloured orange on the plan attached at Appendix 2 can be built upon under the Planning Permission, in accordance with Article 19.5;

19.6.3 by reason of the land coloured light green on the plan attached at Appendix 2 no longer being able to be built upon under the Planning Permission the Lead Developer Light Green Land ceases to have a right to appoint a Director under Article 19.2.5 the Lead Developer Orange Land shall have the right to appoint an additional director whilst the land coloured orange on the plan attached at Appendix 2 can be built upon under the Planning Permission, in accordance with Article 19.5.

19.7 With the exception of the second Director(s) (identified as such by the Council) appointed by the Council during the first two years following incorporation, who shall hold office only until the second anniversary of incorporation, each Director appointed under Article 19.2 (other than Article 19.2.7) or Article 19.6 is to hold office until the start of the first Board Meeting after a term as near as possible to three years from his appointment, but is eligible for reappointment. In respect of Directors appointed in accordance with Articles 19.2.1 to 19.2.6 or 19.6, such reappointment to take place automatically if not opposed in writing by the relevant appointing body giving notice to the Company prior to or at the relevant Board Meeting in respect of its respective appointee.

19.8 The Board shall use its reasonable endeavours to ensure that Residents are appointed as follows:

19.8.1 an initial Resident shall be appointed as a Director by the Board, following such process of selection as the Board may determine, at any time prior to completion of Main Phase 1 and will be subject to re-appointment at the next Annual General Meeting;

19.8.2 further Residents shall be appointed as Directors, following such process of selection as the Board may determine, at each Annual General Meeting to give a total complement of Residents as follows:

19.8.2.1 a maximum of 1 Resident prior to the completion of Main Phase 1;

19.8.2.2 a maximum of 2 Residents prior to the completion of Main Phase 2;

19.8.2.3 a maximum of 3 Residents prior to the completion of Main Phase 3;

19.8.2.4 a maximum of 4 Residents prior to the completion of Main Phase 4;

19.8.2.5 a maximum of five (5) Residents following the Occupation of the last Dwelling to be Occupied that is permitted to be constructed within the Area of Benefit pursuant to the Planning Permission and all other planning permissions granted by the Council (including planning permissions granted by the Council pursuant to Section 73 73A and 96A of the Planning Act varying the conditions to such planning permission) and by the Secretary of State on appeal for development within the Area of Benefit that include the provision of a Dwelling/s.

19.8.3 Subject to Article 19.8.1, Residents appointed as Directors shall, subject to Article 21, hold office for a term as near as possible to three years so that each such Director shall stand down at the start of the third Annual General Meeting following their appointment. Residents appointed as Directors who are retiring at an Annual General Meeting may be re-appointed at the Annual General Meeting at which they are due to retire following such selection process as the Board may determine.

19.9 Subject to Article 7, each Director shall be a Company Member.

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

Casual Vacancies

19.11 In the event that a casual vacancy for a Director arises because an individual ceases to be a Director under Article 21 then:

19.11.1 if the Director concerned was appointed under Articles 19.2.1, 19.2.2, 19.2.3, 19.2.4, 19.2.5, 19.2.6 or 19.6 (Directors appointed by the Council, the Developers or the Housing Associations), then the Board shall invite the body that made the original appointment (or where Article 19.6 applies, the Lead Developer Orange Land) to appoint a replacement according to Article 19.5;

19.11.2 if the Director concerned was appointed under Article 19.2.7 (Directors who are Residents) then the Board may appoint a Resident as a replacement following such process as they may reasonably determine, such replacement to hold office only until the next Annual General Meeting;

19.11.3 if the Director concerned was appointed under Article 19.2.8 (Directors with experience of the voluntary sector) then the Board shall use reasonable endeavours to appoint one person with experience in the voluntary sector as a replacement.

20 OBLIGATIONS OF DIRECTORS

20.1 The Board shall set out in writing the principal obligations of every Director to the Board and to the Company. The statement of Directors' obligations is not intended to be exhaustive and the Board may review and amend it from time to time.

20.2 The statement of obligations may include:-

20.2.1 a commitment to its values and objectives including equal opportunities;

20.2.2 an obligation to contribute to and share responsibility for the Board's decisions;

20.2.3 an obligation to read Board papers and to attend meetings, training sessions and other relevant events;

20.2.4 an obligation to declare relevant interests;

20.2.5 an obligation (subject to any overriding legally binding requirement to the contrary) to keep confidential the affairs of the Board;

20.2.6 an obligation to comply with statutory and fiduciary duties, including:-

20.2.6.1 to act in the best interests of the Company;

20.2.6.2 to declare any interests a Director may have in matters to be discussed at Board meetings and not put himself in a position

where his personal interest or a duty owed to another conflicts with the duties owed to the Company;

20.2.6.3 to secure the proper and effective use of the Company's property;

20.2.6.4 to act personally;

20.2.6.5 to act within the scope of any authority given;

20.2.6.6 to use the proper degree of skill and care when making decisions particularly when investing funds; and

20.2.6.7 to act in accordance with the Articles; and

20.2.7 a reference to obligations under the general law.

20.3 If required to do so by the Board, a Director must sign and deliver to the Board a statement confirming he/she will meet his obligations to the Board and to the Company.

21 RETIREMENT AND REMOVAL OF DIRECTORS

21.1 A Director will cease to hold office if he:-

21.1.1 comes to the end of his term of office and is not re-appointed;

21.1.2 is removed by the body which appointed him in accordance with Article 19.5;

21.1.3 dies;

21.1.4 has been appointed as a Director by a Developer(s) in accordance with Articles 19.2.2, 19.2.3, 19.2.4, 19.2.5 or 19.6 (as the case may be) (the "Relevant Appointment Article") and the relevant appointing Developer's land coloured on the plan attached at Appendix 2 is no longer able to be built upon under the Planning Permission**;**

21.1.5 being a Resident appointed as a Director in accordance with Article 19.2.7, ceases to be a Resident and/or a Company Member;

21.1.6 ceases to be a Director under the Acts or is prohibited by law from being a Director or is disqualified from acting as a charity trustee under the Charities Act 2011;

21.1.7 becomes incapable of managing and administering his own affairs because of mental disorder illness or injury;

21.1.8 is declared bankrupt or makes any arrangement or composition with his creditors;

21.1.9 is in the opinion of the Board guilty of conduct detrimental to the interests of the Company and the Board resolves by a 75% majority of the Directors present and voting at a properly convened Board Meeting that he should be removed, provided that the Director concerned has first been given an opportunity to put his case and to justify why he should not be removed as a Director;

21.1.10 if he is or becomes in arrears of payments due to the Company by 45 days or more in respect of estate rentcharge, service charge and/or any other charges or sums owed to the Company provided that he shall first have had

reasonable opportunity to explain to the Board why he should not be removed;

21.1.11 resigns by written notice to the Company at the Registered Office;

21.1.12 becomes disqualified for membership of a local authority otherwise than by being employed by a local authority or a controlled company;

21.1.13 is absent without good reason from three consecutive Board Meetings held no more frequently than once per month and the Board resolves (by a 75% majority of the Directors present and voting at a properly convened Board Meeting) that he should cease to be a Director; and/or

21.1.14 fails to sign a statement of his obligations under Article 20.3 within one month of being requested to do so and the Board resolves that he be removed.

22 CONFLICTS OF INTEREST AND BOARD MEMBER CONDUCT

22.1 Declaration of interests

22.1.1 If a Director is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company, he must declare the nature and extent of that interest to the other Directors.

22.1.2 In accordance with the Acts, the declaration may be made at a Board Meeting or by written notice.

22.1.3 If a declaration of interest proves to be or becomes inaccurate or incomplete a further declaration must be made.

22.1.4 Any required declaration of interest must be made before the Company enters into the transaction or arrangement.

22.1.5 A declaration is not required in relation to an interest of which the Director is not aware or where the Director is not aware of the transaction or arrangement in question. For this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware.

22.1.6 A Director need not declare an interest:-

22.1.6.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interests; or

22.1.6.2 if, and to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as being aware of anything of which they ought reasonably to be aware);

22.1.6.3 where he or she is appointed by the Developers, the Council, the Councils or the Housing Associations, in any transaction or arrangement with the appointing body in which the Director does not have an interest otherwise than as a director or as an employee of the relevant body provided the transaction or arrangement does not confer a personal benefit on the Director, and in such circumstances the Director concerned will be deemed not to have an interest for the purposes of the Acts and these Articles.

22.2 Authorisation of direct conflicts of interests

A Director may enter into a transaction or arrangement with the Company only if and to

the extent that such an arrangement is authorised by Article 5.3

22.3 **Authorisation of indirect conflicts of interest**

22.3.1 Where, for whatever reason, a Director has any form of indirect interest in relation to a transaction or arrangement with the Company (which shall include a conflict of duty) and the transaction or arrangement is not authorised by virtue of any other provision in the Articles then it may be authorised by those Directors not having a conflict provided that:-

22.3.1.1 the Director with the conflict (and any other interested Director) is not counted when considering whether or not there is a valid quorum for that part of the meeting and does not vote in relation to the matter giving rise to the conflict; and

22.3.1.2 the Directors who do not have a conflict in relation to the matter in question consider it is in the best interests of the Company to authorise the transaction.

22.3.2 The Directors who do not have a conflict in relation to the matter in question may, in their absolute discretion, determine that the Director with the conflict and/or any other interested Director should absent himself from the part of the meeting at which there is discussion concerning the transaction or arrangement giving rise to the conflict.

22.4 **Complaints about conduct**

22.4.1 If the Chair receives a written complaint identifying the complainant and alleging conduct by a Director that in his/her reasonable opinion is detrimental to the interests of the Company, and suggests that there is a prima facie case for the complaint to be investigated in accordance with the provisions of this Article,s/he may suspend the Director concerned.

22.4.2 Conduct detrimental to the interests of the Company includes:

22.4.2.1 any breach of a Director's obligations as set out in the statement of obligations of Directors signed by him/her under Article 20 or otherwise; and/or

22.4.2.2 conviction of any offence which has or is likely to bring the Company into disrepute.

22.4.3 Where the Chair is absent or unable or unwilling to act in relation to the complaint or the complaint is about the Chair then the Vice Chair may exercise the power to suspend the Chair or a Director under Article 22.4.1 in the same circumstances as the Chair.

22.4.4 The Director whose conduct is complained of must immediately be notified in writing either by the Secretary (if any) or by the Chair or the Vice Chair of the complaint and of any suspension which if exercised under Article 22.4.1 or Article 22.4.3 will be effective from the date of the notice. During the period of any suspension the Director must not:

22.4.4.1 participate in a Board Meeting or any other Company meeting;

22.4.4.2 authorise or incur expenditure on behalf of the Company;

22.4.4.3 make use of any property belonging to or in use by the Company in his/her capacity as a Director;

22.4.4.4 hold him/herself out as a Director of the Company; or

22.4.4.5 seek to commit the Company to any obligation.

22.4.5 On receipt of a complaint under Article 22.4.1 the Chair or the Vice Chair must immediately refer the matter for a fair process of investigation, which may be carried out by a panel established for the purpose, an independent person or persons, or such other body as the Chair or Vice Chair acting reasonably shall appoint, including under such procedure for dealing with complaints as the Board may from time to time approve.

PART E. BOARD MEETINGS

23 FUNCTIONS OF THE BOARD

The Board must direct the Company's affairs in such a way as to promote the Objects. Its functions include:-

23.1 defining and ensuring compliance with the values and objectives of the Company;

23.2 establishing policies and plans to achieve those objectives;

23.3 approving each year's budget and accounts before publication;

23.4 establishing and overseeing a framework of delegation of its powers to Committees and Working Parties (under Article 28) and employees with proper systems of control;

23.5 monitoring the Company's performance in relation to its plans budget controls and decisions;

23.6 appointing (and if necessary removing) Senior Officers;

23.7 satisfying itself that the Company's affairs are conducted in accordance with generally accepted standards of performance and propriety; and

23.8 ensuring that appropriate advice is taken on the items listed in Articles 23.1 to 23.7 and in particular on matters of legal compliance and financial viability.

24 POWERS OF THE BOARD

24.1 Subject to the Acts and the Articles, the business of the Company is to be managed by the Board who may exercise all of the powers of the Company.

24.2 An alteration to the Articles does not invalidate earlier acts of the Board which would have been valid without the alteration.

25 BOARD MEETINGS

25.1 Subject to the Articles, the Board may regulate Board Meetings as it wishes.

25.2 Board Meetings may be called by any Director or the Secretary (if appointed).

25.3 Seven Clear Days' notice of Board Meetings must be given to each of the Directors but it is not necessary to give notice of a Board Meeting to a Director who is out of the United Kingdom.

25.4 A Board Meeting which is called on shorter notice than required under Article 25.3 is deemed to have been duly called if at least two Directors certify in writing that because of special circumstances it ought to be called as a matter of urgency.

25.5 Subject to Article 25.6, matters arising at a Board Meeting are to be decided by a simple majority of votes and each Director is to have one vote.

25.6 However many Directors appointed by the Developers under Articles 19.2.2 to 19.2.5 and/or Article 19.6 are present at a Board Meeting, they shall have fifty percent (50%) of the available votes divided equally between them. While any Directors appointed by the Developers continue to hold office, the Directors appointed under Articles 19.2.1, 19.2.6, 19.2.7 and 19.2.8 shall have 50% of the votes divided equally between them.

25.7 If there is an equality of votes the Chair is not entitled to a second or casting vote.

25.8 A technical defect in the appointment of a Director or in the delegation of powers to a Committee of which the Board is unaware at the time does not invalidate decisions taken in good faith.

26 QUORUM FOR BOARD MEETINGS

26.1 Subject to Article 26.3 the quorum for Board Meetings is a minimum of four of the Directors for the time being provided that:

26.1.1 at least two Directors appointed by the Developers are present; and

26.1.2 at least two Directors who have not been appointed by the Developers are also present.

26.2 A Director may be part of the quorum at a Board Meeting if s/he can hear comment and vote on the proceedings through telephone, video conferencing or other communications equipment.

26.3 The Board may act despite vacancies in its number but if the number of Directors is less than four then the Board may act only to admit Directors under Article 19. If both of the Directors appointed under Article 19.2.1 may not be counted towards the quorum for a particular item pursuant to a conflict of interest, then the Board Meeting shall be quorate provided that:

26.3.1 at least three Directors are present; and
26.3.2 at least one of those Directors was not appointed by the Developers.

26.4 At a Board Meeting which remains inquorate for 15 minutes after its starting time or one which becomes inquorate for more than 15 minutes the Directors present may act only to:-

26.4.1 adjourn it to such other time and place as they decide; or

26.4.2 call a General Meeting; or

26.4.3 seek the appointment of Directors in accordance with Article 19.

26.5 If at the adjourned meeting there are again insufficient Directors present within 15 minutes from the time of the adjourned Board Meeting to constitute a quorum then those Directors who are present (provided that they number at least two and at least one of those Directors was not appointed by the Developers) shall constitute a quorum for the purpose of allowing any business of the adjourned meeting to be conducted.

27 CHAIR AND VICE-CHAIR

27.1 The Company must have a Chair and may have a Vice-Chair. The Chair and the Vice-Chair are to be appointed by the Board.

27.2 The Chair and Vice-Chair, if any, are to hold office until the start of the first Board Meeting after a term as near as possible to one year from their appointment but are eligible for reappointment.

27.3 The Chair and the Vice-Chair, if any, may be removed only at a meeting of the Board called for the specific purpose at which a resolution with a majority in favour is passed. The Chair or the Vice-Chair (as the case may be) must be given an opportunity to say why he should not be removed.

27.4 The Chair is to chair all Board Meetings and General Meetings at which he is present unless he does not wish or is not able to do so.

27.5 If the Chair is not present within 5 minutes after the starting time of a Board Meeting, or is unwilling or unable to chair a Board Meeting, then the Vice-Chair, if any, must chair the Board Meeting unless he is unwilling or unable to do so.

27.6 If both the Chair and the Vice-Chair, if any, are not present within 5 minutes after the starting time of a Board Meeting or both are unwilling or unable to chair the meeting then the Board must elect one of the Directors who is present to chair the Board Meeting.

27.7 The functions of the Chair are:-

27.7.1 to act as an ambassador for the Company and to represent the views of the Board to the general public and other organisations;

27.7.2 to ensure that Board Meetings and General Meetings are conducted efficiently;

27.7.3 to give all Directors an opportunity to express their views;

27.7.4 to establish a constructive working relationship with and to provide support for the employees;

27.7.5 where necessary (and in conjunction with the other Directors) to ensure that, where the post of any employee is or is due to become vacant, a replacement is found in a timely and orderly fashion;

27.7.6 to encourage the Board to delegate sufficient authority to its Committees to enable the business of the Company to be carried on effectively between Board Meetings;

27.7.7 to ensure that the Board monitors the use of delegated powers; and

27.7.8 to encourage the Board to take professional advice when it is needed and particularly before considering the dismissal of an employee.

27.8 The role of the Vice-Chair, if any, is to deputise for the Chair during any period of his absence and, for that period, his functions shall be the same as those of the Chair.

28 COMMITTEES AND WORKING PARTIES

28.1 The Board may establish Committees consisting of those persons whom the Board decide and:

28.1.1 delegate to a Committee any of its powers; and

28.1.2 revoke a delegation at any time.

28.2 The Board may establish Working Parties, community groups and fora consisting of those persons whom the Board decide. A Working Party may not take decisions on behalf of the Board but may consider issues in depth with a view to making recommendations to the Board.

28.3 The members of a Committee or a Working Party are to be appointed by the Board but the Board may give a Committee or a Working Party the right to co-opt individuals to its membership. The Board is to determine the chair of each Committee or Working Party.

28.4 Each member of a Committee or Working Party (including the chair) is to hold office from the date of his appointment until the term of office for which he has been appointed expires or until he resigns or is removed by the Board from the Committee or Working Party.

28.5 The Board must determine the quorum for each Committee and Working Party it establishes.

28.6 The Board must specify the financial limits within which any Committee may function. A Working Party can have no authority to incur expenditure.

28.7 Every Committee or Working Party must report its proceedings and decisions to the Board as the Board determines.

29 OBSERVERS

29.1 Subject to Articles 29.4 and 29.5, the Board may allow individuals who are not Directors to attend Board Meetings as Observers on whatever terms the Board decides.

29.2 Observers may not vote but may take part in discussions with the prior consent of the Chair.

29.3 The Board may exclude Observers from any part of a Board Meeting where the Board considers the business is private.

29.4 The Board must exclude an Observer from any part of a Board Meeting at which a possible personal benefit to him is being considered.

29.5 The Board must allow the following to attend all meetings of the Board subject to Articles 29.3 and 29.4:

29.5.1 one individual selected by the Parish Councils; and
29.5.2 one individual selected by the Tenants.

29.6 The Board may allow a further independent advisor to attend meetings at its discretion.

30 DIRECTORS' WRITTEN RESOLUTIONS

30.1 A written resolution approved by all of the Directors entitled to receive notice of a Board Meeting (provided they would constitute a quorum at a Board Meeting) is as valid as if it had been passed at a Board Meeting.

30.2 A written resolution approved by a simple majority of the members of a Committee

(provided they would constitute a quorum of that Committee) is as valid as if it had been passed at a meeting of that Committee.

30.3 A resolution under Articles 30.1 or 30.2 may consist of several documents in similar form each approved by one or more of the Directors or Committee Members.

PART F. OFFICERS

31 THE SECRETARY

31.1 The Board may decide whether or not a Secretary is appointed.

31.2 Where appointed, a Secretary may be removed by the Board at any time.

31.3 If a Director is appointed as Secretary he may not receive any remuneration for acting in that capacity.

32 INDEMNITIES FOR OFFICERS AND EMPLOYEES

32.1 The Company may indemnify any officer or employee (other than a Director) against any liability incurred by him in his capacity as such except when that liability is due to his own dishonesty or gross negligence.

32.2 Subject to the Acts (in particular sections 232-238 or any section of any other statute amending or replacing sections 232-238) and Article 32.3, the Company may indemnify any Director against any liability incurred by him in his capacity as such.

32.3 The indemnity provided to a Director in accordance with Article 32.2 may not include any indemnity against liability:-

32.3.1 to the Company or a company associated with it;

32.3.2 for fines or penalties; or

32.3.3 incurred as a result of his unsuccessful defence of criminal or civil proceedings.

32.4 The indemnity provided to a Director in accordance with Article 32.2 may include the provision of funds to cover his legal costs as they fall due on terms that the Director in question will repay the funds if he is unsuccessful in his defence of the criminal or civil proceedings to which these costs relate

32.5 In respect to its auditor the Company may:-

32.5.1 purchase and maintain insurance for his benefit against any liability incurred by him in his capacity as such; and

32.5.2 indemnify him against any liability incurred in defending any proceedings (whether civil or criminal) in which judgment is given in his favour or he is acquitted or in connection with any application under Section 1157 of the Acts or any section of any other statute amending or replacing Section 1157 in which relief is granted to him by a Court.

PART G. STATUTORY AND MISCELLANEOUS

33 MINUTES

33.1 The Board must arrange for minutes to be kept of all General Meetings and Board Meetings. The names of the Directors present must be included in the minutes.

33.2 Copies of the draft minutes of Board Meetings must be distributed to the Directors as soon as reasonably possible after the meeting and in any case seven Clear Days before the next Board Meeting (unless the next Board Meeting is an urgent Board Meeting).

33.3 Minutes must be approved as a correct record at the next General Meeting (as regards minutes of General Meetings) or Board Meeting (as regards minutes of Board Meetings). Once approved they must be signed by the person chairing the meeting at which they are approved.

33.4 The Board must keep minutes of all of the appointments made by the Board.

34 ACCOUNTS ANNUAL REPORT AND ANNUAL RETURN

34.1 The Company must comply with the Acts and the Directors must comply with their obligations as charity trustees under the Charities Act 2011 in:-

34.1.1 preparing and filing an annual Directors' report and annual accounts and sending them to the Charity Commission; and

34.1.2 making an annual return to the Registrar of Companies and the Charity Commission.

34.2 The Company must comply with the Acts in relation to the audit or examination of accounts (to the extent that the law requires).

34.3 The annual Directors' report and accounts must contain:-

34.3.1 revenue accounts and balance sheet for the last accounting period;

34.3.2 the auditor's report on those accounts (if applicable); and

34.3.3 the Board's report on the affairs of the Company.

34.4 The accounting records of the Company must always be open to inspection by a Director.

35 BANK AND BUILDING SOCIETY ACCOUNTS

35.1 All bank and building society accounts must be controlled by the Board and must include the name of the Company.

35.2 A cheque or order for the payment of money must be signed in accordance with the Board's instructions.

36 EXECUTION OF DOCUMENTS

36.1 Unless the Board decides otherwise, documents which are executed as deeds must be signed by:

36.1.1 two Directors; or

36.1.2 one Director and the Secretary (where appointed); or

36.1.3 one Director in the presence of a witness who attests the Director's signature.

37 NOTICES

37.1 Notices under the Articles must be in writing (which shall include facsimile transmission or email) except notices calling Board Meetings.

37.2 A Company Member present in person at a General Meeting is deemed to have received notice of the General Meeting and (where necessary) of the purposes for which it was called.

37.3 The Company may give a notice to a Company Member, Director or auditor either:

37.3.1 personally;

37.3.2 by sending it by post in a prepaid envelope;

37.3.3 by facsimile transmission;

37.3.4 by leaving it at his address; or

37.3.5 by email.

37.4 Notices under Article 37.3.2 to 37.3.5 may be sent:-

37.4.1 to an address in the United Kingdom which that person has given the Company;

37.4.2 to the last known home or business address of the person to be served; or

37.4.3 to that person's address in the Company's register of members.

37.5 Proof that an envelope containing a notice was properly addressed prepaid and posted is conclusive evidence that the notice was given 48 hours after it was posted.

37.6 Proof that a facsimile transmission was made is conclusive evidence that the notice was given at the time stated on the transmission report.

37.7 A copy of the notification from the system used by the Company to send emails, that the email has been sent to the particular person, will be conclusive evidence that the notice was sent and such notice will be deemed to have been delivered 24 hours after it was sent.

37.8 A notice may be served on the Company by delivering it or sending it to the Registered Office.

37.9 The Board may make standing orders to define other acceptable methods of delivering notices.

38 STANDING ORDERS

38.1 Subject to Article 38.4;

38.1.1 the Board may from time to time make, alter, add to or repeal standing orders for the proper conduct and management of the Company; and

38.1.2 the Company in General Meeting may alter, add to or repeal the standing orders.

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

38.3 Standing orders are binding on all Company Members and Directors.

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

39 WINDING UP

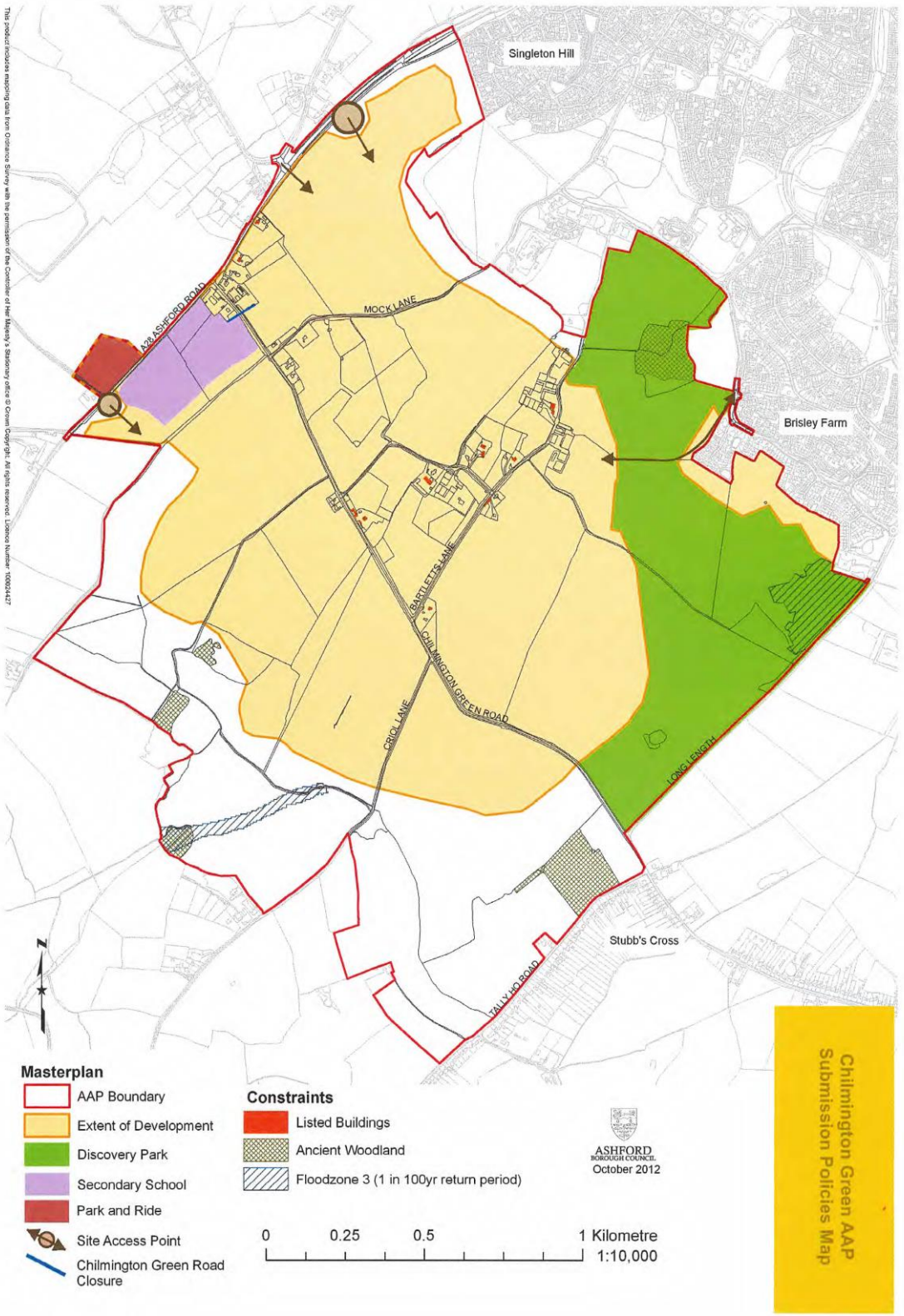
39.1 The Company Members may at any time before, and in expectation of, its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Company be applied or transferred directly for the Objects.

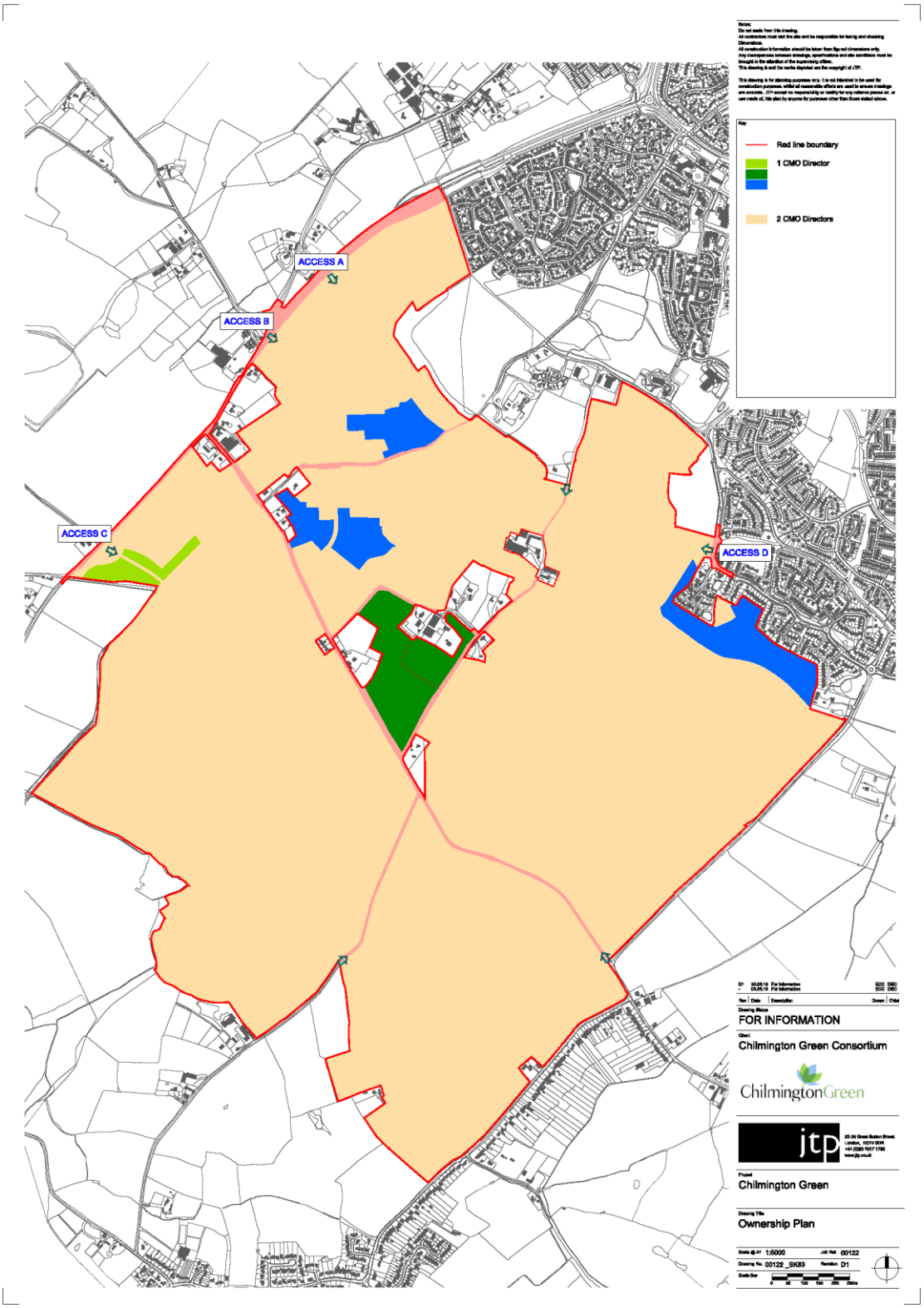
39.2 Subject to any such resolution of the Company Members, the Directors may at any time before and in expectation of its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision made for them, shall on dissolution of the Company be applied or transferred directly for the Objects, and the Directors shall use their reasonable endeavours to ensure that the work for which the Company was created continues.

39.3 In no circumstances shall the net assets of the Company be paid to or distributed among the Company Members (except to a Company Member that is itself a charity) and if no resolution is passed by the Company Members or the Directors the net assets of the Company shall be applied for charitable purposes as directed by the court or the Charity Commission.

Appendix 1

Plan of Area of Benefit



Appendix 2

Plan referred to in definitions of Lead Developers and in Article 19