

**MINUTES  
EXTRAORDINARY GENERAL MEETING  
OF  
ENGLISH COMMUNITY CARE ASSOCIATION  
8 JUNE 2004**

Minutes of an Extraordinary General Meeting held by the Members at the English Community Care Association (ECCA) offices, 3 Albert Embankment, London SE1 7SP on 8 June 2004 at 10.00

Present:

Hamilton Anstead (Chairman)  
Nicholas Brown (Company Secretary)

In attendance:

Ann Mackay  
Maria Patterson

Welcome

The Chairman welcomed those attending to the meeting.

Special Resolution

A special resolution of the members of the Company was passed to adopt the new amended Memorandum and Articles of Association.

Close

There being no further business to attend to, the Chairman brought the meeting to a close.

U Hamilton Anstead  
CHAIRMAN

8/6/04  
DATE



THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE

AND NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION

- of -

ENGLISH COMMUNITY CARE ASSOCIATION

- 1 The name of the Company (hereinafter called 'the Company') is 'ENGLISH COMMUNITY CARE ASSOCIATION'.
- 2 The registered office of the company will be situate in England.
- 3 The objects for which the company is established are to promote and protect the standards of health care within the independent sector.

In furtherance of the above object but not further or otherwise the company shall have the following powers:-

- (A) (1) To represent the interests of, and to act as a forum for discussion among, independent hospitals, nursing homes, clinics, and medical, surgical, remedial and other bodies in the furtherance of the provision of medical and nursing services and the preservation and protection of health in any way.
- (2) To enter into, make and carry into effect such consultations, agreements or arrangements with Government, governmental authorities (whether supreme, local, municipal or otherwise), or others towards the co-ordination and implementation of the provision of medical and nursing services on an equitable basis related to need and to the demand in the United Kingdom.
- (3) To collect and disseminate advice and information amongst, and for the use of, Members of the Company, on all relevant topics.
- (4) To promote knowledge of the independent sector amongst the public.
- (5) To provide Members of the Company with common services, of all kinds including the initiation and management of education staff training schemes and the like.
- (6) To raise and collect funds and accept donations or bequests for furthering any objects of the Company in such manner and on such terms and conditions as the

company may think fit provided that the Company shall not undertake any permanent trading activities for the purpose of raising funds for its charitable objects.

- (B) (1) To make grants to any charitable institution, society or club whose work is calculated to promote the objects of the Company;
- (2) To engage and to provide in whole or in part for the salaries of the Secretary and all other employees of the Company and to grant pensions and retirement benefits to or for employees or former employees of the company and to the widows, children and other dependents of deceased employees who are in necessitous circumstances; and to pay or subscribe to funds or schemes for the provision of pensions and retirement benefits for employees or former employees of the company, their widows, children and other dependents.
- (C) To provide such facilities, services or information to the Members of the Company, as may be thought fit, in connection with the work of the company and to the furtherance of the objects of the company.
- (D) Subject to such consents as may be required by law to raise or borrow money for the purposes of the company on such terms and on such security, if any, as may be thought fit, and to make arrangements for the discharge or guarantee of all or any of the liabilities of the company.
- (E) To invite and receive any property, endowment, legacy, bequest or gift for any purpose within the objects of the company and to act as trustees or managers thereof.
- (F) To enter into such agreements or arrangements of whatever nature with organisations having objects similar to those of the company as may be calculated to further the objects of the company.
- (G) To make grants or donations or loans to or to amalgamate or affiliate with any charitable association or body which has objects similar to the objects of the company and which is prohibited by its constitution from distributing its profits or assets among its members to at least as great an extent as the company is so prohibited.
- (H) To supply relevant information to members of either House of Parliament and to put forward such reasoned arguments, information or advice concerned with legislation as will further the objects of the company and to consult with and confer with Government Officials about such matters.
- (I) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property or any rights or privileges which the company may think necessary or convenient for the promotion of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the company.
- (J) Subject to such consents as are required by law to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the company as may be thought expedient with a view to the furtherance of its objects.
- (K) To invest the moneys of the company not immediately required for its purposes in or upon such investments, securities or properly as may be thought fit.

- (L) To lend or advance money to any employee upon such security, and on such terms as to repayment and interest, or otherwise, as may be necessary for the purposes of the company.
- (M) To establish and support or aid in the establishment or support of any charitable association or institution and to subscribe or guarantee money for charitable purposes in any way connected with the purposes of the company or calculated to further its objects.
- (N) To do all such lawful things as are incidental or conducive to the attainment of the above objects or any of them

Provided:-

- (a) In case the company shall take or hold any property which may be subject to any trusts, the company shall only deal with or invest the same in such manner as allowed by law, having regard to such trusts.
  - (b) The objects of the company shall not extend to the regulation of relations between workers and employers or between organisations of workers and organisations of employers.
  - (c) In case the company shall take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales the company shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law, and as regards any such property the Board of Directors shall be chargeable for any such property that may come into their hands and shall be answerable and accountable for their own costs, receipts, neglects and default, and for the due administration of such property in the same manner and to the same extent as such board would have been if no incorporation of the company shall not diminish or impair any control or authority exercisable by the Chancery Division of the High Court of Justice or the Charity Commissioners over such Board but they shall as regards any such property be subject jointly and separately through such control or authority as if the company were not incorporated.
- 4 The income and property of the company, whensoever derived, shall be applied solely towards the promotion of the objects of the company as set forth in this Memorandum of Association, and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the Members of the company or to the directors of the company

Provided that nothing herein shall prevent any payment in good faith by the company:-

- (a) of reasonable and proper remuneration to any member, officer or servant of the company (not being a member of its Board) for any services rendered to the company;

- (b) of interest on money lent by any member of the company or of its Board at a reasonable and proper rate per annum not exceeding 2% less than the published base lending rate of a clearing bank to be selected by the Board;
- (c) of reasonable and proper rent for premises demised or let by any member of the company or of its Board;
- (d) of fees, remuneration or other benefit in money or money's worth to any company of which a member of the Board may also be a member holding not more than 1/100th part of the capital of that company;
- (e) to any member of its Board of reasonable out-of-pocket expenses.

5 The liability of the Members is limited.

6 Every Member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member for payment of the debts and liabilities of the company contracted before he ceases to be a Member and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributories among themselves such amount as may be required not exceeding £1.

7 If upon the winding up of dissolution of the company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members of the company, but shall be given or transferred to some other charitable institution or charitable institutions, having objects similar to the objects of the company, and which shall prohibit the distribution of its or their income and property amongst its or their members to an extent at least as great as is imposed on the company under or by virtue of Clause 4 hereof, such institution or institutions to be determined by the Members of the Company at or before the time of dissolution, and if and so far as effect cannot be given to such provision, then to some charitable object.

WE, the several persons whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association.

**NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS**

J. Barker 4 Cornwall Terrace Regents Park London NW1

B. Blunt R.H.H.I. West Hill London SW15

A. Hird The Barn Shay Lane Heaton Bradford

Benet Ormerod 41 Front Street Topcliffe Thirsk N. Yorkshire

J. Priestley 48 Coniger Road London SW6

M. J. Smith 11 Lower Park Road Loughton Essex

DATED this 26th day of November 1986

WITNESS to the above signatures:

E.N.W. Brown  
1 Dean Farrar Street  
Westminster  
London  
SW1H 0DY  
Solicitor

THE COMPANIES ACT 1985  
COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL  
ARTICLES OF ASSOCIATION

- of -

ENGLISH COMMUNITY CARE ASSOCIATION

INTERPRETATION

1 In these regulations:-

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

'the articles' means the articles of the company;

'Board' means the board of directors of the company;

'chairman' and the 'chairman of the board of directors' means the chairman of the company appointed pursuant to article 53(1);

'Chief Executive' means the person appointed pursuant to articles 39(1) and (2) to be the chief executive of the company;

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

'the company' means the English Community Care Association;

'director(s)' means any one or more of the directors of the company;

'executed' includes any mode of execution;

'office' means the registered office of the company;

'regions' means the regions established by the directors pursuant to article 38;

'the seal' means the common seal of the company (if any);

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

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modifications thereof not in force when these regulations become binding on the Company.

## MEMBERS

- 2 The subscribers to the memorandum of association of the company and such other persons as shall be admitted to membership in accordance with the articles shall be members of the company. No person shall be admitted as a member or honorary member of the company unless he is approved by the directors.
- 3 Every person who wishes to become a member shall deliver to the company an application for membership in such form as the directors require to be executed by him or in the case of a corporate member on its behalf.
- 4 (1) Membership of the company shall be divided into the following types:-
  - (a) honorary membership, which shall be open, without subscription, to such persons or bodies corporate or unincorporate as shall be approved by the directors;
  - (b) ordinary membership, which shall be open upon the payment of an annual subscription determined from time to time by the directors, to such persons or bodies corporate or unincorporate as are actively engaged in the provision of health care services within the independent sector;
  - (c) associate membership, which shall be open to such persons or bodies corporate or unincorporate connected with health care as shall be approved by the directors with or without the payment of subscription at the discretion of the directors.
- (2) The rates of subscription may be varied at any time by the directors and any variation shall take effect for the next succeeding calendar year and thereafter.
- (3) Members' subscriptions in respect of each calendar year shall become due and payable at such times as the directors think fit.
- 5 Every member shall be bound to further to the best of his ability the objects and interests of the company and shall observe all rules, regulations and bye-laws of the company.

- 6 Any member who in the opinion of the directors fails to observe any of the rules or regulations of the company or to meet the standard of health care laid down by the members may be expelled from membership by a resolution passed by a majority of at least three-fourths of the directors present and voting at a meeting of the directors. Not less than seven clear days' notice of the meeting shall be given to the member concerned and the notice shall state the purpose for which the meeting is called. Such member may attend the meeting and be heard but shall not be present when voting takes place. The decision of the meeting shall be forthwith notified in writing to such member.
- 7 A member may at any time withdraw from the company by giving at least seven clear days' notice to the company and he shall forfeit any subscription already paid.
- 8 Membership shall not be transferable and shall cease if:-
- (1) the member serves notice of his intention to withdraw from membership in accordance with regulation 7 of the articles; or
  - (2) the member is expelled for membership in accordance with regulation 6 of the articles; or
  - (3) the member, being a corporation, enters into winding up or liquidation, whether voluntary or involuntary, or has a receiver appointed over any part of its assets; or
  - (4) the member loses his or its registration under the Care Standards Act 2000; or
  - (5) the member, being a qualified medical practitioner, is struck off the Medical Register; or
  - (6) the member, being an individual, becomes of unsound mind or permanently incapable of acting; or
  - (7) the member, being an individual, becomes bankrupt or makes any arrangements with his creditors.

## **GENERAL MEETINGS**

- 9 The company shall in each year hold a general meeting as an annual general meeting, in addition to any other general meeting in that year. Not more than fifteen months shall elapse between the date of one annual general meeting of the company and that of the next. The annual general meeting shall be held at such time and place as the directors shall appoint.
- 10 All general meetings other than annual general meetings shall be called extraordinary general meetings.

- 11 The directors may call general meetings and, on the requisition of members of the company representing not less than one-tenth of the total voting rights of all the members having at the date of deposit of the requisition a right to vote at general meetings pursuant to the provisions of the Act, shall forthwith proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition.

#### **NOTICE OF GENERAL MEETINGS**

- 12 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least twenty-one clear days' notice. All other extraordinary general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:-
- (a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat, and
  - (b) in the case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five percent of the total voting rights at the meeting of all the members.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such and include the information specified in regulation 46(3) of the articles. The notice shall be given to all the members and to the directors and auditors.

- 13 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 14 No business shall be transacted at any meeting unless a quorum is present. Ten percent of the members entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorized representative of a corporation, or four such members whichever shall be the greater shall be a quorum.
- 15 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.

- 16 The chairman of the board of directors or in his absence, some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman, nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman.
- 17 If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 18 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
- 19 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 20 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:-
- (a) by the chairman; or
  - (b) by at least two members having the right to vote at the meeting; or
  - (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- 21 Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 22 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman 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.

- 23 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 24 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.
- 25 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 26 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 27 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.

## VOTES OF MEMBERS

- 28 On a show of hands every ordinary member present in person shall have one vote. On a poll each of the members shall have one vote for every one hundred beds or part thereof which he or his organisation represents. Any ordinary member not representing beds shall have one vote for every fifty day places and/or treatment spaces or part thereof which he or his organisation represent. Honorary and associate members shall be entitled to receive notice of and to attend at all general meetings of the company but shall not be entitled to vote, whether in person or by proxy, thereat.
- No ordinary member shall be entitled to vote at any general meeting unless all moneys presently payable by him to the company have been paid.
- 29 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 chairman whose decision shall be final and conclusive.

- 30 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve):-

**ENGLISH COMMUNITY CARE ASSOCIATION**

I/We, \_\_\_\_\_, of \_\_\_\_\_

being a member/members of the above-named company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_

or failing him, \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual extraordinary general meeting of the company to be held on

20 \_\_\_\_\_, and at any adjournment thereof.

Signed on \_\_\_\_\_ 20 \_\_\_\_\_.

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

**ENGLISH COMMUNITY CARE ASSOCIATION**

I/We, \_\_\_\_\_, of \_\_\_\_\_

being a member/members of the above-named company, hereby appoint of \_\_\_\_\_

or failing him, \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/extraordinary general meeting of the company to be held on

20 \_\_\_\_\_, and at any adjournment thereof.

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

Resolution No. 1 \*for \*against.

Resolution No. 2 \*for \*against.

Strike out whichever is not desired

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

Signed this                      day of                      20[   ]

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

- (a)      be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
- (b)      in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (c)      where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

33      A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the company at the office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

#### **THE BOARD OF DIRECTORS**

34      The number of directors shall not at any time number less than five or (unless otherwise determined by ordinary resolution) more than thirty.

35      No person shall be eligible to stand for election or appointment to the board of directors unless he is an ordinary member, the representative of an ordinary member or an honorary member.

## **POWER OF DIRECTORS**

- 36 Subject to the provisions of the Act, the memorandum and the articles, the business of the company shall be managed by the directors who may exercise all powers of the company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
- 37 The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine.
- 38 The directors shall divide the country into a maximum of 10 geographical areas. Such areas shall be known as regions.

## **DELEGATION OF DIRECTORS' POWERS AND THE COMMITTEES OF DIRECTORS**

- 39 (1) The directors may delegate any of their powers to any committee consisting of two or more directors. They may also delegate to any Chief Executive or any other executive officer such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions. The directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered provided that the exercise of such delegated powers shall be reported back to the Board as soon as possible and all delegated powers be exercised within budgets to be agreed by the Board in advance. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.
- (2) The Chief Executive shall act as the chief executive of the company in relation to matters common to, affecting and/or relating to the interests of the company and its members as a whole.

## **RETIREMENT AND ROTATION OF DIRECTORS**

- 40 If an ordinary member of whom or which a director is a representative or has been appointed in accordance with article 43(2) shall serve written notice upon the company that its representative or appointed director is to cease to be a director then that director shall retire from the board of directors with effect from the date of receipt of the aforesaid notice by the company and in the case of a director appointed by a member pursuant to article 43(2) he may be replaced by such other person as may be appointed by that member in accordance with that article.

- 41 At each annual general meeting one-third of the elected directors or, if their number is not two, the number nearest to one-third shall retire from office.
- 42 Subject to the provisions of the Act, the elected directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

#### **APPOINTMENT AND ELECTION OF DIRECTORS**

- 43 (1) Each of the regions may appoint one person to be a director. Any director appointed in this way may be removed and replaced at any time by his appointor. Not more than ten directors may be appointed in this way.
- (2) Any ordinary member registered with the company as having 3000 beds or more may appoint one person to be a director. Any director appointed may be removed and replaced at any time by his appointor. Not more than ten directors may be appointed in this way. In order to maintain the number of directors appointed in this way the directors may in their absolute discretion vary the number of beds required in order to qualify to appoint a director in this way. If after having appointed a director in this way at any time thereafter any member fails to meet the qualification criteria to appoint a director in this way that director shall immediately vacate office.
- (3) Those ordinary members that are not entitled to appoint a director in accordance with article 43(2) above may elect directors in accordance with the provisions for the election of directors at article 45(1) provided that not more than six directors may be elected by the members in this way.
- 44 Where there is a vacancy among the elected directors the directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director provided that the appointment does not cause the number of directors to exceed any maximum number of directors fixed by or in accordance with the articles. A director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting he shall vacate office at the conclusion thereof.

#### **ELECTION OF DIRECTORS**

- 45 (1) The directors to be elected shall be elected by a postal ballot. Each member who is not entitled to appoint a director under article 43(2) shall have one vote for every 100 beds or part thereof.
- (2) In the event of any dispute relating to the election of directors the decision of the directors shall be final.

- 46 (1) Not less than 20 days prior to the date fixed by the board for the despatch of the notice convening an annual general meeting the board of directors shall give notice to all ordinary members of the company informing them of (a) the names of the directors to retire by rotation at that meeting and whether or not they offer themselves for re-election and (b) the rights of the ordinary members to nominate a representative or to offer themselves for election to the board (c) the date by which such nominations must be received by the company.
- (2) Following the giving of such notice, any ordinary member may, by notice in writing signed by or on behalf of that member, nominate for election as a director any person qualified under the articles to be a director. To be valid such notice must be received at the address and by the date specified in the notice referred to in subparagraph (c) of paragraph (1) of this regulation, and must be accompanied by a written consent to act as a director signed by the person nominated.
- (3) The notice of annual general meeting shall indicate (a) the names of the directors retiring by rotation and offering themselves for re-election; (b) the names of the persons validly nominated under paragraph (2) of this regulation. The notice shall be accompanied by a postal ballot form, in such form as the directors shall determine, for completion by ordinary members and the notice should specify the address to which the postal ballot should be returned. The postal ballot form shall indicate the number of vacancies to be filled in each category, (subject to any maximum fixed by or in accordance with the articles).
- (4) Postal ballot forms to be valid must be returned to the address specified in the notice of the annual general meeting not later than three days before the date of the annual general meeting. The secretary shall act as returning officer (with the directors not standing for election acting as scrutineers, appointed so to act by the directors) and shall declare the results of the ballot at the annual general meeting, the persons securing the greatest number of votes in each category being deemed to be elected to the board of directors at the annual general meeting.

## **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 47 The office of a director shall be vacated if:-
- (a) he ceased to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
  - (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally; or
  - (c) he is, or may be, suffering from mental disorder and either:-
    - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or

- (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
- (d) he resigns his office by notice to the company; or
- (e) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated; or
- (f) where he is a member of the company, he ceases to be a member; or
- (g) where he is the representative of an ordinary member, the ordinary member he represents ceases to be a member; or
- (h) where he is the representative of an ordinary member, the ordinary member he represents serves notice on the company pursuant to regulation 45 of the articles that he is to cease to be a director; or
- (i) where he is a qualified medical practitioner, he is struck off the Medical Register; or
- (j) where he is appointed pursuant to articles 43(1) his appointment is terminated by the relevant member of the company.

#### **DIRECTORS' EXPENSES**

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

#### **HONORARY OFFICERS**

- 49 The directors may, from time to time elect an Honorary President or Presidents, and such other honorary officers as they feel fit and may determine for what period such honorary officers shall hold office.

#### **PROCEEDINGS OF DIRECTORS**

- 50 Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall have a second or casting vote.

- 51 The quorum for the transaction of the business of the directors shall be one third of the directors from time to time or 3 directors whichever shall be the greater.
- 52 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than three, they may act only for the purpose of filling vacancies or of calling a general meeting.
- 53 (1) The directors may appoint one of their number to be the chairman and may at any time remove him from that office.
- (2) The chairman shall preside at all meetings of the directors at which he is present. If the chairman be not present within five minutes after the time appointed for the meeting of the directors, the directors then present shall choose one of themselves to take the chair at that meeting of the directors.
- 54 All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 55 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it has been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors.
- 56 Save as otherwise provided by the articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the company unless his interest or duty arises only because the case falls within one or more of the following paragraphs:-
- (a) the resolution relates to the giving to him of a guarantee, security, or indemnity in respect of money lent to, or an obligation incurred by him for the benefit of, the company or any of its subsidiaries;
- (b) the resolution relates to the giving to a third party of a guarantee, security, or indemnity in respect of an obligation of the company or any of its subsidiaries for which the director has assumed responsibility in whole or part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

- (c) his interest arises by virtue of his subscribing or agreeing to subscribe for any debentures of the company or any of its subsidiaries, or by virtue of his being, or intending to become, a participant in the underwriting or sub-underwriting of an offer of any such debentures by the company or any of its subsidiaries for subscription, purchase or exchange.

For the purposes of this regulation, an interest of a person who is, for any purpose of the Act (excluding any statutory modification thereof not in force when this regulation becomes binding on the company), connected with a director shall be treated as an interest of the director.

- 57 A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.
- 58 If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

#### **SECRETARY**

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

#### **MINUTES**

- 60 The directors shall cause minutes to be made in books kept for the purposes:-
  - (a) of all appointments of officers made by the directors; and
  - (b) of all proceedings at meetings of the company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

#### **THE SEAL**

- 61 The seal (if any) shall only be used by the authority of the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

## ACCOUNTS

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

## NOTICES

- 63 Any notice to be given to or by any person pursuant to the articles shall be in writing except that a notice calling a meeting of directors need not be in writing.
- 64 The company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address or by leaving it at that address. A member whose registered address is not within the United Kingdom and who gives to the company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the company.
- 65 A member present, either in person or by proxy, at any meeting of the company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 66 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted.

## WINDING UP

- 67 The provisions of clause 7 of the memorandum of association of the company relating to the winding up and dissolution of the company shall apply and have effect as if that clause was repeated in the articles.

## INDEMNITY

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

**NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS**

J. Barker 4 Cornwall Terrace Regents Park London NW1

B. Blunt R.H.H.I. West Hill London SW15

A. Hird The Barn Shay Lane Heaton Bradford

Benet Ormerod 41 Front Street Topcliffe Thirsk N. Yorkshire

J. Priestley 48 Coniger Road London SW6

M. J. Smith 11 Lower Park Road Loughton Essex

DATED this 26<sup>th</sup> day of November 1986

WITNESS to the above signatures:

E.N.W. Brown  
1 Dean Farrar Street  
Westminster  
London  
SW1H 0DY  
Solicitor