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The Companies Acts 1985 and 1989
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Memorandum of Association of
STOCKFIELD COMMUNITY ASSOCIATION (SUBSIDIARY) LIMITED

(Incorporated 27th June 1991)

**As amended by Special Resolutions dated:-
16 October 1998;
18 June 2001**

Anthony Collins & Co
Solicitors
[St Philip's Gate
5 Waterloo Street
Birmingham
B2 5PG
formerly of]
Pearl Assurance House
4 Temple Row
Birmingham
B2 5HG

Reference: 10

**MEMORANDUM OF ASSOCIATION
OF
STOCKFIELD COMMUNITY ASSOCIATION
(SUBSIDIARY) LIMITED**

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The Companies Act 1985
COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Memorandum of Association of
STOCKFIELD COMMUNITY ASSOCIATION (SUBSIDIARY) LIMITED

1 Name

The name of the Company (hereinafter called "the Company") is Stockfield Community Association (Subsidiary) Limited.

2 Registered Office

The Registered Office of the Company will be situated in England and Wales.

3 Objects and Powers

(1) The Objects for which the Company is established are:

(a) to promote the benefit of the inhabitants of the area of Stockfield and its neighbourhood in the City of Birmingham ("the area of benefit") shown delineated with a thick black line on the plan attached hereto (or such larger or smaller area within the Local Government Ward of Acocks Green as defined by the City of Birmingham (Electoral Arrangements) Order 1980 or any statutory re-enactment or modification thereof as the Company in general meeting may from time to time determine) without distinction of sex, race or of political, religious or other opinions, by associating together representatives of the said inhabitants and various other persons in a common effort to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving the conditions of life for the said inhabitants.

(b) to carry on business as a general commercial company.

(2) In the furtherance of the above Objects but not otherwise, the Company shall have the following powers:

(a) to employ or engage and pay any person or persons (whether as employees, consultants, managers, agents, advisers or otherwise) to supervise, organise,

assist with and carry on the work of the Company and make all reasonable and necessary provisions for the payment of pensions and superannuation to or on behalf of employees and their widows and other dependants.

- (b) to receive, purchase, take on lease or licence or tenancy at will or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company consider necessary for the promotion of such objects.
- (c) to purchase or otherwise acquire and to manufacture and deal in bricks, stone and other building materials of any kind, and all implements, machinery, vehicles, scaffolding and other equipment used by builders and contractors.
- (d) to construct, alter, maintain, improve, demolish, manage and furnish, or to procure the construction, alteration, improvement, demolition, maintenance, management or furnishing by any person including (without prejudice to the generality) any company or body corporate and any authorities, national, local or otherwise, of any land, buildings or erections which the Company consider necessary for the promotion of such objects.
- (e) to purchase or otherwise acquire and to manufacture portable buildings for use as offices, storage, accommodation or for any purpose connected with the work of builders and contractors.
- (f) to make regulations for any property from time to time held by the Company.
- (g) subject to such consents as may be required by law to sell, let, licence, mortgage, charge, grant tenancies at will, or otherwise dispose of or turn to account all or any of the property or assets of the Company.
- (h) to procure contributions to the Company by personal or written appeals, public meetings or otherwise.
- (i) to invest the money of the Company not immediately required for such objects in or on such investments, securities or property as may be thought fit subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law.
- (j) to co-operate and enter into contracts and arrangements with any person including (without prejudice to the generality) any company or body corporate or any authorities, national, local or otherwise.

- (k) to accept monies, grants, contributions, covenanted donations and gifts from any person including (without prejudice to the generality) any company or body corporate and any authorities, national, local or otherwise.
- (l) to draw, make, accept, indorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank accounts.
- (m) to enter into any guarantee, contract or indemnity or suretyship and in particular (without prejudice to the generality of the above) to guarantee support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) of the Company or by both such methods or in any other manner, the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other money payable on or in respect of any securities or liabilities of, any person, including (without prejudice to the generality of the above) any company which is for the time being a subsidiary or a holding company of the Company or otherwise associated with the Company.
- (n) to make any charitable donation either in cash or assets and whether under a deed of covenant or otherwise for the furtherance of Object 1(a) of the Company.
- (o) to insure and arrange insurance cover for and to indemnify its members, officers, servants and voluntary workers and those of its members from and against, all such risks incurred in the performance of their duties as may be thought fit.
- (p) to pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company.
- (q) to recruit and assist in the recruitment of voluntary workers in and for the promotion of the objects of the Company.
- (r) subject to such consents as may be required by law, to borrow or raise money for the Company on such terms and on such security as may be thought fit.
- (s) to establish and support or aid in the establishment and support of any company, firm, co-operative or other organisation the promotion of which shall in any way be calculated to advance directly or indirectly the objects or interest of the Company.

- (t) to do all such other lawful things as may be necessary for the attainment of the above objects or any of them.

4 Application of Capital, Income and Property

(a) Under no circumstances whatsoever shall the Company be permitted to issue Capital with interest or dividend exceeding the rate of 5 per cent per annum or such other rate as the Treasury may from time to time prescribe in accordance with Section 1(b) of the Housing Association Act 1985.

(b) No candidate to become a Member of any local authority nor a Member of any local authority nor any person who shall have been a Member of any local authority during the then previous twelve months shall hold any paid office or employment of the Company and shall not receive from the Company any payments other than out-of-pocket expenses.

5 Limited Liability

The liability of the members is limited.

6 Contribution to Assets of the Company

Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same 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 the contributories among themselves, such amount as may be required not exceeding one pound.

7 Surplus Assets

If on the winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities any property whatever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred either (a) to Stockfield Community Association ("the Community Association") or to some other charitable institution or institutions having objects similar to the objects of the Community Association, and which shall prohibit the distribution of its or their income and property to an extent at least as great as is imposed on the Company under or by virtue of Clause 4 of the Memorandum of Association of the Community Association, or (b) to Birmingham City Council to be held for similar charitable purposes Provided that the decision as to which charitable institution or institutions such property shall be given or transferred or as to whether such property should be given or transferred to Birmingham City Council as aforesaid shall be made by the members of the Company at or before the time of dissolution and in so far as effect cannot be given to such provision then such property shall be given or transferred to some other charitable purpose which shall be similar to the objects of the Company.

We, the subscribers to this memorandum of association, wish to be formed into a company pursuant to this memorandum.

Names, Addresses and Descriptions of Subscribers

STOCKFIELD COMMUNITY ASSOCIATION

Registered Office:
[St Philip's Gate
5 Waterloo Street
Birmingham
B2 5PG
Formerly of]
Pearl Assurance House
4 Temple Row
Birmingham
B2 5HG

K.W READING
on behalf of Stockfield Community
Association

BARRY EDGAR BENNETT
15 Dalston Road
Acocks Green
Birmingham
B27 6HT

Dated the 14th day of June 1991

Witness to the above signature

MARTIN TIMOTHY KNOX
Solicitor
Pearl Assurance House
4 Temple Street
Birmingham
B2 5HG

COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF STOCKFIELD COMMUNITY ASSOCIATION
(SUBSIDIARY) LIMITED

1 Definitions and Interpretation

1.1 In these Articles:

1.1.1 unless the context otherwise requires the following expressions have the following meanings

"Act" means the Companies Act 1985

"Articles" means the articles of association of the Company.

"Benefit Area" means the area of Stockfield in the City of Birmingham shown edged with a thick black line on the plan annexed to the memorandum of association of the Company or such larger or smaller area within the Local Government Ward of Acocks Green as defined by the City of Birmingham (Electoral Arrangements) Order 1980 as the Company in general meeting may from time to time determine.

"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 on which it is to take effect.

"Community Association"

means Stockfield Community Association whose registered office is situate at [St Philip's Gate, 5 Waterloo Street, Birmingham, B2 5PG formerly of] Pearl Assurance House, 4 Temple Row, Birmingham, B2 5HG.

"Community Association Director"

means any Director for the time being appointed and holding office pursuant to Article 9.2

"Council"

means Birmingham City Council of Council House, Birmingham, B1 1BB.

"Council Director"

means any Director for the time being appointed by the Council, and holding office, pursuant to Article 9.4.

"Director"

means a director for the time being of a Company.

"executed"

includes any mode of execution.

"Housing Association"

means Bromford Carinthia Housing Association Limited whose registered office is situated at Lloyd House, Farm Park, Sampson Road, Sparkbrook, Birmingham,

"Housing Association Director" means any Director for the time being nominated by the Housing Association, and holding office pursuant to Article 9.4.

"Institution" means any or all of the Society, the Housing Association and the Council.

"Institutional Director" means any Director for the time being nominated and holding office pursuant to Article 9.4.

"Local Community" means the inhabitants of the Benefit Area and those persons likely to benefit directly from the Company carrying its objects into effect.

"Local Director" means any person for the time being holding office as a Director by virtue of the provisions of Article 9.3.

"Member" means a member of the Company.

"Membership" includes all rights and duties attributable to a person being a Member.

"Office" means the registered office of the Company.

"Relevant Type" means the type of Director namely Community Association Director, Society

Director, Housing Association Director, Council Director or Local Director which is applicable in the circumstances.

"Seal"

means the common seal of the Company.

"Secretary"

means the secretary of the Company or any other person nominated to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.

"Society Director"

means any Director for the time being appointed by the Society, and holding office, pursuant to Article 9.4.

"Society"

means Halifax Building Society whose registered office is situate at Trinity Road, Halifax, West Yorkshire, HX1 2RG.

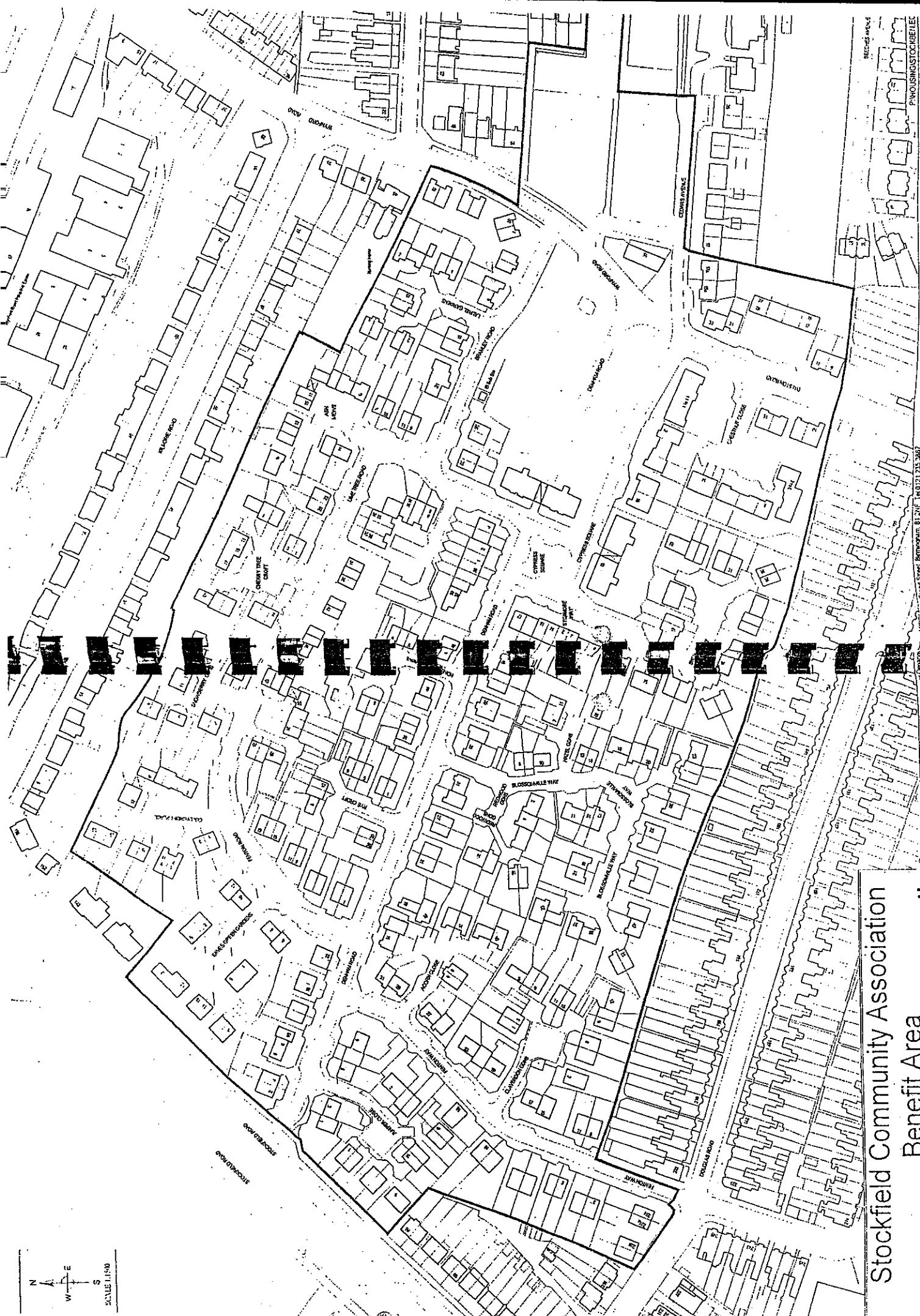
"United Kingdom"

means Great Britain and Northern Ireland.

1.1.2 Words and phrases the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of incorporation.

1.1.3 Words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter and vice versa and words importing persons shall include bodies corporate, unincorporated associations and partnerships.

1.1.4 references to Articles are references to these Articles.



Stockfield Community Association Benefit Area

1.1.5 the headings to the Clauses and paragraphs are inserted for ease of reference only and shall not affect the interpretation or construction of these Articles.

1.1.6 references to any statute, statutory provision or Order include reference to that statute, statutory provision or Order as from time to time amended, extended or re-enacted

1.2 None of the Tables A to F in the Companies (Tables A to F) Regulations 1985 as amended shall apply to the Company.

2 **Objects**

The Company is established for the objects expressed in the Memorandum of Association.

3 **Members**

3.1 The number of Members with which the Company proposes to be registered is two.

3.2 The Members shall be the Community Association and one nominee thereof.

3.3 In the event ("the Relevant Event") that the Community Association shall enter into liquidation, be wound up, be dissolved or transfer its engagements, its Membership and the Membership of its nominee shall forthwith cease whereupon

(a) the Members shall be persons who immediately prior to the Relevant Event were members of the Community Association and they shall sign a written consent to become a Member and

(b) the provisions of Articles 3.6, 4, 5 and 6 of the articles of association of the Community Association shall, notwithstanding the occurrence of the Relevant Event but with such modifications as may be necessary to give effect to the said provisions, be deemed to be incorporated into these Articles and shall, with the said modifications, forthwith have effect in substitution for the provisions in Article 3 except those provisions contained in this Article 3.3

3.4 A person (other than the Community Association) shall retire or be deemed to retire from Membership forthwith in any of the following cases:-

3.4.1 upon his death;

3.4.2 upon the expiry of 3 months from the service upon the Secretary of a written

notice of resignation as a Member;

3.4.3 in the case of a Member nominated or appointed by some other person, upon that other person by notice in writing to the Company removing the nominee or appointee from being a Member

3.5 At no time after the coming into force of the provisions Part V of the Local Government and Housing Act 1989 shall there be such a number of Members having such a relationship or association with the Council or any other local authority or having such other characteristics as shall cause the Company to be under the control, or subject to the influence, of the Council (which latter expressions shall have the meanings respectively assigned to them by Sections 68 and 69 of the said Act of 1989) and to this end

3.5.1 if at any time after

(a) the occurrence of the Relevant Event and

(b) the coming into force of the provisions of Part V of the Local Government and Housing Act 1989

the number of Members (excluding Members appointed and nominated by the Council) shall fall below 10 then the Membership of the Member appointed and nominated by the Council or, (if 2 such Members shall have been appointed and nominated by the Council simultaneously), of the elder thereof, shall forthwith be suspended and no general meeting of the Company shall be held until the appointment or nomination and acceptance of Membership of at least one other Member not being a Member appointed and nominated by the Council and

3.5.2 in the event that, at any time after the coming into force of the provisions of the said Part V, any person shall, by virtue of his being or becoming a Member, cause the Company to be under such control or subject to such influence as aforesaid, then the Membership of such person or, (if two or more such persons shall have been appointed and/or nominated as Members) the last in time to have been so appointed and/or nominated as Members or, (if two or more such persons shall have been appointed and/or nominated simultaneously), the elder thereof, shall forthwith be suspended and no general meeting of the Company shall be held until the appointment or nomination and acceptance of Membership of such other suitable Members as may be necessary so as to render the Company neither under such control nor subject to such influence as aforesaid

General Meetings

- 4.1 The Company shall each year hold a general meeting as its Annual General Meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse between the date of one Annual General Meeting of the Company and that of the next Provided that so long as the Company holds its first Annual General Meeting within 18 months of its incorporation, it need not hold it in the year of incorporation or in the following year. The Annual General Meeting shall be held at such time and place as the Directors shall appoint. All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.
- 4.2 The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by the Act. If at any time there are not within the United Kingdom sufficient Directors to form a quorum, any Director or any 2 Members may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

Notice of General Meetings

- 5.1 An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by at least 21 clear days' notice in writing. Other meetings shall be called by at least 14 clear days' notice in writing. The notice shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business and shall be given, in manner mentioned below or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under the Articles, entitled to receive such notices from the Company Provided that a meeting of the Company shall, notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:
- 5.1.1 in the case of the Annual General Meeting, by all the Members prior to that meeting taking place; and
- 5.1.2 in the case of any other meeting, by at least 95% of the membership of the Company present at that meeting who assent to that meeting taking place.

Proceedings at General Meetings

- 6.1 The business to be transacted at an Annual General Meeting shall include the consideration of the accounts, balance sheets, the reports of the Directors and auditors and the appointment of, and the fixing of the remuneration of, the auditors.
- 6.2 No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a Member or representative of, or a proxy for, a Member, shall be a quorum. If within 15 minutes from the time appointed for the meeting a quorum is not present, the meeting shall be adjourned to such other day and at such other time and place as a majority of the Members may agree and notice thereof shall be given in writing to all Members. If at any adjourned meeting such quorum is not present within 15 minutes from the time appointed for the adjourned meeting 2 persons entitled to vote upon the business to be transacted, each being a Member or representative of, or a proxy for a Member shall be quorum.
- 6.3 The Chairman, if any, of the Board of Directors shall chair every general meeting of the Company, or if there is no such chairman or if he shall not be present within 15 minutes after the time appointed for the holding of the meeting or is unwilling to act, the Directors present shall elect one of their number to chair the meeting.
- 6.4 If at any meeting no Director is willing to act as chairman or if no Director is present within 15 minutes after the time appointed for holding the meeting, the Members present shall choose one of their number to chair the meeting.
- 6.5 The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 6.6 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:
- 6.6.1 by the chairman; or

- 6.6.2 by at least 2 Members present; or
- 6.6.3 by any Member or Members present in person and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting.
- 6.7 Unless a poll is so demanded, a declaration by the chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost shall be conclusive and an entry to that effect in the minutes of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 6.8 The demand for a poll may be withdrawn.
- 6.9 The chairman of a general meeting shall be entitled to vote and shall be entitled to a second or casting vote.
- 6.10 A poll demanded on the election of a chairman, or on a question of adjournment, shall be taken immediately. A poll demanded on any other question shall be taken at such time and in such manner as the chairman of the meeting directs, and any business other than that upon which a poll has been demanded may proceed pending the taking of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 6.11 Subject to the provisions of the Act, a resolution in writing signed by all the Members entitled to receive notice of and to attend and vote at general meetings shall be as valid and effective as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution in writing may consist of 2 or more documents in like form each signed by one or more Members and may, in the case of a corporation, be signed on its behalf by a director or secretary thereof, or the Solicitor thereto or (in any case) by the Member's duly appointed attorney or duly authorised representative.
- 6.12 An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or the Solicitor thereto or by its duly appointed attorney or duly authorised representative.
- 6.13 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting.

7 **Votes of Members**

Every Member shall have one vote.

8 **Members Acting by Representatives at Meetings**

8.1 Any corporate Member may authorise such person as he thinks fit to act as his representative at any meeting of the Company.

8.2 Any person ("the Appointee") authorised under Article 8.1 shall be entitled to exercise the same powers on behalf of the person the Appointee represents, as that person could exercise as an individual Member of the Company but the Appointee shall act as Agent for the Member authorising him to act and such Member shall be responsible for the actions of the Appointee in any meeting of the Company.

9 **Number, Appointment, Removal and Disqualification of Directors**

9.1 There shall be 12 Directors.

9.2 The Community Association shall be entitled by notice in writing to the Company to appoint 7 Directors and by like notice to remove such Directors and at any time and from time to time by like notice to appoint any other person to be a Director in place of a Director removed. Any Director so appointed shall be a Community Association Director.

9.3 A majority of the Local Directors for the time being of the Community Association shall be entitled by notice in writing to the Company to appoint 2 Directors and by like notice to remove such Directors and at any time and from time to time by like notice to appoint any other person to be a Director in place of a Director removed. Any Director so appointed shall be a Local Director.

9.4 Each of the Institutions shall be entitled by notice in writing to the Company to appoint 1 Director and by like notice to remove such Directors and at any time and from time to time by like notice to appoint any other person to be a Director in place of a Director removed. Any Director so appointed shall be an Institutional Director.

9.5 A notice of appointment or removal of a Director pursuant to all or any of Articles 9.2, 9.3 or 9.4 shall take effect upon lodgment at the Office or on delivery to a meeting of the Directors or on delivery to the Secretary.

9.6 Every Director shall hold office until he is either removed in manner provided by this

Article or dies or vacates office pursuant to Article 9.10 and neither the Company in general meeting nor the Directors shall have power to fill any such vacancy.

9.7 Every Director shall be at liberty from time to time to make such disclosure to his appointor as to the business and affairs of the Company and its subsidiaries as he shall in his absolute discretion determine.

9.8 No Director shall be appointed otherwise than as provided in these Articles.

9.9 The Directors shall not be subject to retirement by rotation.

9.10 The office of Director shall be vacated if the Director:

9.10.1 being an individual, becomes bankrupt or, being a body corporate, goes into liquidation (whether voluntary or compulsory) or is dissolved, or

9.10.2 ceases to be a Director by virtue of any provision of the Act or becomes prohibited by law from being a Director, or

9.10.3 being an individual, is, or may be, suffering from a mental disorder and either:

9.10.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or

9.10.3.2 an Order is made by the 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

9.10.4 resigns his office by 3 months notice in writing to the Company, or

9.10.5 is, for the time being, detained in prison, or

9.10.6 being a Local Director or a Community Association Director representative of the Local Community, ceases to be ordinarily resident in the Benefit Area.

9.11 Upon the occurrence of the Relevant Event as defined in Article 3.3 the directorship of the Directors then in office shall cease whereupon

(a) the Directors shall be persons who immediately prior to the Relevant Event

were directors of the Community Association and they shall sign the relevant form consenting to become a Director and

- (b) the provisions of Article 12 of the articles of association of the Community Association shall, notwithstanding the occurrence of the Relevant Event but with such modifications as may be necessary to give effect to the said provisions, be deemed to be incorporated into these Articles and shall, with the said modifications, forthwith have effect in substitution for the provisions of Article 9 except those provisions contained in this Article 9.11.

9.12 At no time after the coming into force of the provisions Part V of the Local Government and Housing Act 1989 shall there be such a number of Directors having such a relationship or association with the Council or any other local authority or having such other characteristics as shall cause the Company to be under the control, or subject to the influence, of the Council (which latter expressions shall have the meanings respectively assigned to them by Sections 68 and 69 of the said Act of 1989) and to this end

9.12.1 in the event of the number of Directors (excluding Council Directors) at any time after the coming into force of the provisions of the said Part V falling below 10 then the directorship of the most recently appointed Director or, (if 2 such Directors shall have been appointed simultaneously), of the elder of the 2 Council Directors, shall forthwith be suspended and no general meeting of the Company shall be held until the appointment or nomination and acceptance of office of at least one other Director not being a Council Director; and

9.12.2 in the event that, at any time after the coming into force of the provisions of the said Part V, any person shall, by virtue of his being or becoming a Director, cause the Company to be under such control or subject to such influence as aforesaid, then the directorship of such person or, (if 2 or more such persons shall have been appointed as Directors) the last in time to have been so appointed and/or nominated as Directors or, (if 2 or more such persons shall have been appointed simultaneously), the elder thereof, shall forthwith be suspended until the appointment or nomination and acceptance of office of such other suitable Directors as may be necessary so as to render the Company neither under such control nor subject to such influence as aforesaid

9.13 The Directors shall be paid all reasonable expenses properly incurred by them in attending and returning from Board meetings or general meetings of the Company or in connection with the business of the Company but shall not be entitled to any remuneration for performing their duties as Directors.

10 **Powers and Duties of the Directors**

- 10.1 The business of the Company shall be managed by the Directors who may pay all reasonable expenses incurred in the formation of the Company, and may exercise all such powers of the Company as are not required to be exercised by the Company in general meeting. Any such requirement may be imposed either by the Act or by these Articles or by any regulation made by the Company in general meeting; but no such regulation shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.
- 10.2 All cheques and other negotiable instruments, and all receipts for money paid to the Company, shall be signed, drawn, accepted, indorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time determine.
- 10.3 The Directors shall cause minutes to be made:
- 10.3.1 of all appointments of officers made by the Directors.
- 10.3.2 of the names of Directors present at each Board meeting.
- 10.3.3 of all resolutions and proceedings at all meetings of the Company, and of the Directors.

11 **Proceedings of Directors**

- 11.1 The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes the chairman shall not have a second or casting vote. A Director may, and the Secretary on the request of a Director shall, at any time summon a Board Meeting. It shall not be necessary to give notice of a Board meeting to any Director for the time being absent from the United Kingdom;
- 11.2 The quorum for Board Meetings is three Directors;
- 11.3 In the event that at any duly convened meeting of the Directors or of any committee of the Directors the meeting is not so quorate, or if during the meeting such a quorum ceases to be present for more than 30 minutes at a time, the meeting shall (unless otherwise agreed by a Society Director, a Council Director and a Local Director), be adjourned to such other day, and at such other time and place as a Society Director, a Council Director and a Local Director may agree in writing and at such adjourned

meeting the quorum shall be as provided in Article 11.2.

- 11.4 The Directors may act notwithstanding any vacancy in their number but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles as the necessary quorum of Members or Directors, the Directors may act for the purpose of increasing the number of Members or Directors to that number, or of summoning a general meeting of the Company, but for no other purpose.
- 11.5 The Directors shall elect a chairman of their meetings and determine the period for which he is to hold office; but, if no such chairman is elected, or if at any meeting the chairman is not present within 5 minutes after the time appointed for holding the same, the Directors present may choose one of their number to chair the meeting.
- 11.6 A resolution in writing, signed by all the Directors entitled to receive notice of a meeting of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held, and may consist of several documents in like form each signed by one or more Directors.
- 11.7 Unless otherwise agreed in writing by a Society Director, a Council Director and a Local Director in any particular case, at least 14 clear days' notice in writing shall be given to each Director of every meeting of the Directors, except any absent from the United Kingdom for the time being who shall have nominated an Alternate Director.
- 11.8 Appropriate complete minutes of each meeting of the Directors shall be maintained by the Company and copies thereof distributed to the Directors as soon as reasonably practicable after the meeting shall have been held.
- 11.9 A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract, arrangement or dealing with the Company, shall declare the nature of his interest at a meeting of the Directors, and subject thereto, he may be counted in the quorum present at any meeting of the Directors whereat such contract, arrangement or dealing with the Company is considered or entered into and may vote in respect thereof

12 **Borrowing Powers**

The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

Alternate Directors

13.1 Any Director (other than an Alternate Director) may at any time appoint any person (including another Director) approved in writing by

- (i) a majority of the Members, and
- (ii) in the case of an Institutional Director, by the Institution who shall have appointed the relevant Institutional Director to be an Alternate Director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected in like manner as provided in Article 9.5. The same person may be appointed as the Alternate Director of more than one Director.

13.2 The appointment of an Alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director.

13.3 An Alternate Director shall be entitled to receive notices of meetings of the Directors and of any committee of the Directors of which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director of the Relevant Type. It shall not be necessary to give notices of meetings to an Alternate Director who is absent from the United Kingdom. If an Alternate Director shall be himself a Director or shall attend any such meeting as an Alternate Director for more than one Director his voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. An Alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.

13.4 An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive any remuneration from the Company in respect of his appointment as Alternate Director.

Secretary

Subject to Section 293 of the Act, the Secretary shall be appointed by the Directors for such term at such remuneration and on such conditions as they may think fit; and any Secretary so appointed may be removed by the Directors Provided that no Director may occupy the salaried position of Secretary.

15 **The Seal**

The Directors shall provide for the safe custody of the Seal, which shall be used only by the authority of the Directors or of a committee authorised by the Directors in that behalf and every instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose.

16 **Accounts and Information**

16.1 The Directors shall cause accounting records to be kept in accordance with Sections 221 and 222 of the Act.

16.2 The accounting records shall be kept at the Office or, subject to Section 227 of the Act, at such other place or places as the Directors think fit, and shall always be open to the inspection of the officers of the Company and of the Institutions.

16.3 Every Member, Director and each of the Institutions shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company and each of its subsidiaries on giving not less than 24 hours, written notice to the Secretary (or, if there is none for the time being, the Chairman). The Company shall give each such Member, Director and Institution all such facilities as he may reasonably require for such purposes including the use of copying facilities. The Company shall not charge for any facilities reasonably requested as aforesaid.

16.4 The Directors shall from time to time in accordance with Sections 238 and 242 of the Act cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are referred to in those sections.

16.5 A copy of every balance sheet (including every document required by law to be annexed to it) which is to be laid before the Company in general meeting, together with a copy of the auditors' report, and the Directors' report, shall not less than 21 days before the date of the meeting be sent to every Member of, and every holder of debentures of, the Company Provided that this Article shall not require a copy of these documents to be

sent to any person of whose address the Company is not aware or to more than one of the joint holders of debentures.

17 **Audit**

Auditors shall be appointed and their duties regulated in accordance with Sections 384 to 392 of the Act.

18 **Notices**

- 18.1 A notice may be given by the Company to any Member, Director, auditor or Institution either personally or by sending it by post or facsimile transmission to him or to his place of abode or business last known to the Company or to such other address within the United Kingdom supplied by him to the Company for the giving of notice to him.
- 18.2 A notice may be given by any Member, Director, auditor or Institution to the Company by delivering it or by sending it by post to the Company at the Office or by delivering it to the Secretary personally.
- 18.3 Proof that an envelope containing a notice properly addressed, prepared and posted shall be conclusive evidence that the notice was given at the expiration of 48 hours after the envelope containing it was posted. Proof that a facsimile transmission was made shall be conclusive evidence that the notice was given forthwith upon the making of such transmission.
- 18.4 Notice of every general meeting shall be given in any manner authorised by these Articles to:
- 18.4.1 each Member;
- 18.4.2 the auditor for the time being of the Company;
- 18.4.3 each Director; and
- 18.4.4 each Institution.

No other person shall be entitled to receive notices of general meetings but a notice of general meeting shall be posted at such place as the Local Directors shall reasonably determine in order to bring it to the attention of the inhabitants of the Benefit Area.

19 **Dissolution**

Clause 7 of the memorandum of association relating to the winding-up and dissolution of the Company shall have effect as if its provisions were repeated in these Articles.

20 **Rules or Byelaws**

The Company may from time to time make such rules or byelaws as it may deem necessary or convenient for the proper conduct and management of the Company and in particular but without prejudice to the generality of the above, it may by such rules or byelaws regulate:

- 20.1 the conduct of Members of the Company in relation to one another, and to the Company's employees;
- 20.2 the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
- 20.3 the procedure at general meetings and meetings of the Directors and committees in so far as such procedure is not regulated by these Articles; and
- 20.4 generally all such matters as are commonly the subject matter of Company rules.

The Company shall have power to alter or repeal the rules or byelaws and to make additions to them, and the Directors shall adopt such means as they deem sufficient to bring to the notice of Members all such rules or byelaws, which so long as they shall be in force, shall be binding on all Members.

21 **Indemnity**

Subject to the provisions of and so far as may be permitted by law, every Director, auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.

Approvals etc

Where the approval, agreement or consent of any Member or Director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that Member or Director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles.

NAMES, ADDRESSES AND OCCUPATIONS OF SUBSCRIBERS

Names, Addresses and Descriptions of Subscribers

STOCKFIELD COMMUNITY ASSOCIATION

Registered Office:

[St Philip's Gate
5 Waterloo Street
Birmingham
B2 5PG
formerly of]
Pearl Assurance House
4 Temple Row
Birmingham
B2 5HG

K.W. READING
on behalf of Stockfield Community Association

BARRY EDGAR BENNETT
15 Dalston Road
Acocks Green
Birmingham
B27 6HT

Dated the 14th day of June 1991

Witness to the above signatures

MARTIN TIMOTHY KNOX
Solicitor
Pearl Assurance House
4 Temple Row
Birmingham
B2 5HG