

THE COMPANIES ACT 2006

COMPANY LIMITED BY A GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION

of

TRANSPORT RESEARCH FOUNDATION

(Adopted by special resolution passed on 19 November 2018 (and as amended by special resolutions passed on 22 March 2022))



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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE AND NOT HAVE A SHARE CAPITAL

ARTICLES OF ASSOCIATION

OF

TRANSPORT RESEARCH FOUNDATION

("the Foundation")

PART 1 INTERPRETATION

Defined terms

1. (1) In the Articles, unless the context requires otherwise:-

"the Act" the Companies Act 2006;

"Actively Engaged" means that a Member has either:

(a) attended any of the last three annual general meetings of the Foundation; or

(b) responded to a notice of annual general meeting by returning a proxy vote to the Foundation for any of the last three annual general meetings of the Foundation;

"address" means a postal address, or for the purposes of electronic communication, a fax number, an email or postal address or a telephone number for receiving text messages in each case registered with the Foundation;

"Articles" means the Foundation's articles of association;

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

"the Chairman" has the meaning given in Article 8;

"the Deputy Chairman" has the meaning given in Article 8;

"Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Foundation;

"Director" means a director of the Foundation, and includes any person occupying the position of director, by whatever name called;

"document" includes, unless otherwise specified, any document sent or supplied in electronic form;

"electronic form" has the meaning given in section 1168 of the Companies Act 2006;

"Employees" employees of the Foundation or any Subsidiary of the Foundation;

"Employee Director" the Director appointed by the Employees;

"Employee Members" those Members appointed by the Employees in accordance with Article 46,

"the Employee Council"	the representative body of Employees;
"Executive Directors"	the executive Directors;
"Member"	means a member (within the meaning given in section 112 of the Companies Act 2006) of the Foundation;
"the Non-Executive Directors"	the non-executive Directors appointed in accordance with these Articles;
"the Office"	the registered office for the time being of the Foundation;
"ordinary resolution"	has the meaning given in section 282 of the Companies Act 2006;
"participate"	in relation to a Directors' meeting, has the meaning given in Article 18;
"proxy notice"	has the meaning given in Article 63;
"Secretary"	any person appointed to perform the duties of the secretary of the Foundation;
"Sector Members"	the Members (other than the Employee Member) appointed in accordance with Article 45;
"special resolution"	has the meaning given in section 283 of the Companies Act 2006;
"Subsidiary"	has the meaning given in section 1159 of the Companies Act 2006;
"the United Kingdom"	Great Britain and Northern Ireland;
"writing"	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- (2) Words importing one gender shall include all genders, and the singular includes the plural and vice versa.
- (3) Unless the context otherwise requires words or expressions contained in these Articles have the same meaning as in the Companies Acts but excluding any statutory modification or re-enactment not in force when these Articles become binding on the Foundation.
- (4) Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

Liability of Members

2. The liability of each Member is limited to such amount as may be required not exceeding £1, being the amount that each Member undertakes to contribute to the assets of the Foundation in the event of its being wound up while he or it is a member or within one year after he or it ceases to be a Member, for:-
 - (a) payment of the Foundation's debts and liabilities contracted before he or it ceases to be a Member;
 - (b) payment of the costs, charges and expenses of winding up; and
 - (c) adjustment of the rights of the Members.

Objects

3. The Foundation's objects are as follows:-

- (1) To promote research and other scientific work in connection with transport and associated or allied industries and for that purpose to establish, form, equip and maintain laboratories, work shops, test facilities or factories and conduct scientific studies and developments and provide funds for such work and for payment to any person or persons engaged therein, and to encourage and improve the education of persons who are engaged or likely to be engaged in such industries;
- (2) To prepare, edit, print publish, issue, acquire and circulate books, papers, periodicals, gazettes, circulars and other literary undertakings in relation to transport and associated or allied industries and to establish, form and maintain libraries, collections, museums and collections of literature, statistics, scientific data and other information relating to transport and associated or allied industries or to matters of interest to persons engaged therein, and to translate, compile, collect, publish, lend and sell, and endeavour to secure, or contribute to, the translation, compilation, collection, publication and sale by Parliament, Government Departments and other bodies or persons of any such literature and other information and to disseminate it by reading of papers, delivery of lectures, giving of advice, the appointment of advisory officers or otherwise;
- (3) To retain or employ skilled, professional or technical advisors or workers in association with the objects of the Foundation and to pay such fees or remuneration for that as may be thought expedient, also to found, aid, maintain and endow scholarships and bursaries for the remuneration, instruction and support of students in research work, or persons engaged in studying the principles involved in transport and associated and allied industries and to employ and remunerate as may be expedient instructors and supervisors for such students and also for persons engaged in studying the principles involved in transport or any associated or allied industries, paying due regard to the provision of instruction by existing instructions;
- (4) To encourage the discovery of and to investigate so far as is desirable to make known the nature and merits of inventions, improvements, processes, materials and designs which may seem capable of being used by Members or any other purposes of the transport industry or any associated or allied industries and to acquire any patents or licences relating to such inventions, improvements or processes and to acquire and register any designs or standardisation marks, whether for general or special purposes with a view to the use thereof by Members and others upon such terms as may seem expedient and to develop, perfect and test the value of such inventions, improvements, processes and designs by manufacturing, exhibiting and placing on the market any article or substances to which the same may be capable of application;
- (5) To apply to the Government, Public Bodies and other bodies, corporations, companies or persons for and to accept grants of money and of other real or personal property and other assistance with a view to promoting the objects of the Foundation and to discuss and negotiate with Government Departments, public and other bodies, corporations, companies or persons, schemes or research and other work and matters within the objects of the Foundation and to conform to any proper conditions upon which such grants and other payments may be made;
- (6) To carry on any other trade or business whatever, that can, in the opinion of the board of Directors, be advantageously carried on in connection with or ancillary to any of the businesses of the Foundation.

Powers

4. To further its objects the Foundation may do all such lawful things as may further the Foundation's objects and, in particular, but without limitation, may borrow or raise and secure the payment of money for any purpose including the purpose of investment or of raising funds.

Not for Profit

5.
 - (a) The Foundation is not established or conducted for private gain. Any profits or assets are used to develop the Foundation's objectives and to demonstrate and educate on good practice.
 - (b) The Foundation is specifically prohibited from the payments of dividends to its Members.
 - (c) All the assets of the Foundation, that would otherwise be available to its Members generally, are to be transferred on the winding up of the Foundation either:-
 - i) To another body with objects similar to those of the Foundation; or
 - ii) To another body, the objects of which are the promotion of charity and anything incidental or conducive thereto, whether or not the body is a Member of the Foundation.

PART 2 DIRECTORS AND SECRETARY

NUMBER AND CONSTITUTION OF DIRECTORS

6. Unless and until otherwise determined by the Foundation in general meeting, (and subject in all respects to Articles 6 and 49), the number of the Directors shall not be less than six nor greater than twelve.
7. The board shall be constituted of the following Directors:-
 - (1) The Executive Directors, being a maximum of six Directors;
 - (2) One Non-Executive Director nominated by the Employees by notice in writing to the Secretary, being the Employee Director;
 - (3) Further Non-Executive Directors, being a maximum of five nominated by the Chairman;and a resolution to approve the appointment of the Employee Director and the Non-Executive Directors shall be put to the Members at the next general meeting following their appointment (and no such approval shall be required for the Executive Directors).

The relevant nominator may at any time and from time to time remove from office any Director appointed by it pursuant to this Article 6 and nominate any person in place of any Director so removed or dying or otherwise vacating office.
8. The Directors shall appoint a Non-Executive Director to be the Chairman. Any such Chairman shall be entitled to attend, vote and speak at meetings of the Directors and of the Foundation. The Chairman for the time being shall not be required to retire by rotation at any annual general meeting of the Foundation. It shall not be necessary for any Chairman to have any special qualification for office, either by way of subscription, donation or otherwise. Any such Chairman shall perform such duties and exercise such powers (if any) as may from time to time be assigned to or vested in him by the Foundation in general meeting or by the Directors.
9. The Directors may also appoint, should they so wish, a Non Executive Director as a Deputy Chairman (who shall, in the absence of the Chairman at any meeting or otherwise as requested by the Chairman, deputise for the Chairman and have the rights and powers of the Chairman and such appointment shall be made on such terms as the Directors think fit.

DIRECTORS' POWERS AND RESPONSIBILITIES

Directors' general authority

10. The Directors are responsible for the management of the Foundation's business, for which purpose they may exercise all the powers of the Foundation.

Members' reserve power

11. The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
12. No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

Directors may delegate

13. (1) The Directors may delegate any of the powers which are conferred on them under the Articles—
 - (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions;as they think fit.
- (2) If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- (3) The Directors may revoke any delegation, in whole or part, or alter its terms and conditions.

Committees

14. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit (but so that any committee consisting of less than three persons shall consist solely of Directors and any other committee shall consist of Directors to the extent of at least two-thirds of its number).
15. (1) Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors.
- (2) The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

Borrowing powers

16. The Directors may exercise all the powers of the Foundation to borrow money without limit as to amount and on such terms and in such manner as they think fit, and to mortgage or charge its undertaking and property, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Foundation or of any third party or enter into any guarantee for the obligations of any third party

DECISION-MAKING BY DIRECTORS

Calling a Directors' meeting

17. (1) Directors may call a Directors' meeting.
- (2) A Directors' meeting must be called by at least seven clear days' notice unless either:-

- (a) all the Directors agree; or
- (b) urgent circumstances require shorter notice.
- (3) Notice of Directors' meetings must be given to each Director.
- (4) Every notice calling a Directors' meeting must specify:-
 - (a) the place, day and time of the meeting; and
 - (b) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (5) Notice of Directors' meetings need not be in writing.
- (6) Notice of Directors' meetings may be sent in electronic form to an address provided by that Director for the purpose.

Participation in Directors' meetings

- 18. (1) Directors participate in a Directors' meeting, or part of a Directors' meeting, when:-
 - (a) the meeting has been called and takes place in accordance with these Articles; and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- (3) If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them are.

Quorum for Directors' meetings

- 19. (1) At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for Directors' meetings shall be four (with there being no more Executive Directors than Non-Executive Directors).
- (3) If the total number of Directors at any time is less than the quorum required, the Directors must not take any decision other than a decision:-
 - (a) to appoint further Directors; or
 - (b) to call a general meeting so as to enable the Members to appoint further Directors.

Decision making at meetings

- 20. (1) Questions arising at a Directors' meeting shall be decided by a majority of votes.
- (2) In all proceedings of Directors each Director must not have more than one vote.
- (3) In the event of equality of votes, the Chairman shall have a second and casting vote in relation to any non-operational decisions of the Directors under Articles 20 or 21.

Decisions without a meeting

- 21. (1) The Directors may take a unanimous decision without a Directors' meeting in accordance with this Article by indicating to each other by any means, including, without limitation, in electronic form, that they share a common view on a matter. Such a decision may, but need not, take the form of a resolution in writing, copies of which have been signed by each Director or to which each Director has otherwise indicated agreement in writing.

- (2) A decision which is made in accordance with this Article 21 shall be as valid and effectual as if it had been passed at a meeting duly convened and held, provided that the following conditions are complied with:-
- (a) approval from each Director must be received by one person being either the Secretary or the Chairman ("the Recipient");
 - (b) following receipt of responses from all of the Directors, the Recipient must communicate to all of the Directors by any means whether the resolution has been formally approved by the Directors in accordance with this Article 21; and
 - (c) the date of the decision shall be the date of the communication from the Recipient confirming formal approval.

Conflicts of interest

22. (1) Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a conflict of interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already.
- (2) If any question arises as to whether a Director has a conflict of interest, the question shall be decided by a majority decision of the other Directors.
- (3) Whenever a matter is to be discussed at a meeting or decided in accordance with Article 21 and a Director has a conflict of interest in respect of that matter then, subject to Article 23, he or she must:-
- (a) remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;
 - (b) not be counted in the quorum for that part of the meeting; and
 - (c) withdraw during the vote and have no vote on the matter.
- (4) When a Director has a conflict of interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Foundation by withholding confidential information from the Foundation if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her.

Directors' power to authorise a conflict of interest

23. (1) The Directors have power to authorise a Director to be in a position of conflict of interest provided:-
- (a) in relation to the decision to authorise a conflict of interest, the conflicted Director must comply with Article 22(3);
 - (b) in authorising a conflict of interest, the Directors can decide the manner in which the conflict of interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a conflict of interest can participate in a vote on the matter and can be counted in the quorum; and
 - (c) the decision to authorise a conflict of interest can impose such terms as the Directors think fit and is subject always to their right to vary or terminate the authorisation.
- (2) If a matter, or office, employment or position, has been authorised by the Directors in accordance with Article 23(1) then, even if he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to the matter, or that office, employment or position, will or may be discussed.

- (3) A Director shall not be accountable to the Foundation for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with this Article 23 (subject to any limits or conditions to which such approval was subject).

Register of Directors' interests

24. The Directors shall cause a register of Directors' interests to be kept. A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Foundation or in any transaction or arrangement entered into by the Foundation which has not previously been declared.

APPOINTMENT OF DIRECTORS

Termination of Director's appointment

25. A person ceases to be a Director as soon as:-
- (a) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;
 - (b) a bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
 - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - (d) a registered medical practitioner who is treating that person gives a written opinion to the Foundation stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
 - (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; and
 - (f) notification is received by the Foundation from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms.
26. At the annual general meeting one-third of such Directors for the time being, or, if their number is not three or a multiple of three, then the nearest one-third shall retire from office. The Executive Directors and the Chairman shall not be required to retire by rotation.
27. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by alphabetical order according to their surname with the first to retire being the Director whose surname commences with a letter which appears earlier in the alphabet.
28. A retiring Director shall be eligible for re-election.

Methods for appointing Directors

29. The Foundation at the meeting at which a Director retires in the manner aforesaid may fill the vacated office by electing a person thereto (subject to complying with Article 29) and in default, the retiring Director shall, if offering himself for re-election, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost. In the event that the Employee

Director does not offer himself for re-election, or if the resolution for the re-election of the Employee Director is put to the meeting and lost, the Employees shall, in accordance with Article 6 be entitled to appoint a new Employee Director and the provisions relating to the approval of such new Employee Director contained in that article shall apply.

30. No person, other than a Director retiring and returning as result of reappointment at the meeting, shall be appointed or reappointed a Director at any general meeting unless:-
- (1) he is recommended by the Directors; or
 - (2) not less than fourteen nor more than thirty five clear days before the date appointed for the meeting, there shall have been left at the Office notice in writing, signed by a Member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election (stating the particulars which would, if he were so appointed or reappointed, be required to be included in the Foundation's register of Directors), and also notice in writing signed by that person of his willingness to be appointed or reappointed.
31. Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person (other than a Director retiring by rotation at the meeting) who is recommended by the Directors for appointment or reappointment as a Director at the meeting or in respect of whom notice has been duly given to the Foundation of the intention to propose him at the meeting for the appointment or reappointment as a Director. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the Foundation's register of Directors.
32. The Foundation may from time to time by ordinary resolution increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to go out of office.
33. The Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total amount of Directors shall not at any time exceed the number fixed in accordance with these Articles. Any Director so appointed, other than the Executive Directors or the Chairman, who are not subject to retirement by rotation, shall hold office until the next following annual general meeting, and then shall be eligible for re-election, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.
34. The Foundation may by ordinary resolution, of which special notice has been given in accordance with sections 168 and 312 of the Act, remove any Director before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Foundation and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Foundation.
35. Subject to complying with Article 29 the Foundation may, by ordinary resolution, appoint another person in place of a Director removed from office under Article 33. Without prejudice to the powers of the Directors under Article 32 but subject to complying with Article 29 the Foundation in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director. The person appointed to fill such a vacancy shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director.

Non Executive Directors' Remuneration

36. The Chairman, in consultation with the Chief Executive shall determine the remuneration of the Non Executive Directors including the Employee Director (save for the remuneration of the Chairman which shall be determined by Chief Executive in consultation with the Chairman).

Directors' expenses

37. The Foundation may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:-
- (a) meetings of Directors or committees of Directors;
 - (b) general meetings; or
 - (c) separate meetings of the holders of debentures of the Foundation;
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Foundation.

EXECUTIVE DIRECTORS

38. The Directors may from time to time:-
- (1) Appoint one or more of their body to the office of chief executive, or to any other role (except that of auditor) or employment in the Foundation, for such period and on such terms as they think fit, and may revoke such appointment (but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Foundation by reason of such revocation).
 - (2) Permit any person appointed to be a Director to continue in any other office or employment held by him before he was so appointed.
- A Director (including the chief executive) holding any such other office or employment is in these articles referred to as an "Executive Director".
39. An Executive Director shall not be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he cease from any cause to be a Director (but without prejudice to any rights or claims which he may have against the Foundation by reason of such determination). An Executive Director shall not ipso facto cease to be a Director if he ceases from any cause to hold the office or employment by virtue of which he is termed an Executive Director, but shall no longer be an Executive Director.
40. The Chairman shall form a remuneration committee which shall reflect best practice and shall consist of at least two Non-Executive Directors to determine such remuneration of the Executive Directors.
41. The Directors may delegate to, entrust to and confer upon the chief executive and Executive Directors any of the powers exercisable by them upon such terms and conditions and with such restrictions as they may think fit, and, in the case of a chief executive, either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

SECRETARY

42. 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. The Directors may from time to time appoint an assistant or deputy secretary, and any person so appointed may act in place of the Secretary if there be no Secretary capable of acting.
43. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, the Secretary.

PART 3 MEMBERS

BECOMING AND CEASING TO BE A MEMBER

Becoming a Member

44. (1) The minimum number of Members is declared to be ten (10) and the maximum number of Members is declared to be one hundred and twenty-five (125). Of such Members, there shall be:-
- (a) a minimum number of Sector Members of eight;
 - (b) a maximum number of Sector Members of one hundred;
 - (c) a minimum number of Employee Members of two; and
 - (d) a maximum number of Employee Members of twenty five.
- (2) The Foundation in general meeting may increase the number of Members (of whatever type) whenever, and as often as it thinks fit, by ordinary resolution. The provisions of this Article 44 relating to minimum number of Sector Members and Employee Members shall apply immediately upon the adoption of these Articles.
- (3) Such other persons as are admitted to membership in accordance with these Articles shall be Members.
- (4) Every person who wishes to become a Member shall deliver to the Foundation an application for membership in such form (and containing such information) as the Directors require and executed by him or her.

Sector Members

45. (1) The board of Directors shall, from applications submitted to it for membership, appoint Members to be the Sector Members who are organisations in the transport sector. The board of Directors shall use all reasonable endeavours to ensure the Sector Members include a balance of interests in the transport industry.
- (2) A corporation being a Member shall be invited to nominate a person to act as its representative. Such representative shall have the right on behalf of the corporation (and to the extent only to which the corporation would if a person be entitled to do so) to attend general meetings of the Foundation and if so qualified thereat, and generally exercise all rights of membership on behalf of the corporation. A corporation may from time to time revoke the nomination of such representative and nominate another representative in his place. All such nominations and revocations shall be notified in writing to the Secretary.
- (3) No firm or other unincorporated association may as such become a Member but any firm or other unincorporated association may nominate one of its members to act as its representative, apply in its name for membership and sign the application as its representative and exercise the rights of membership on its behalf. Every person so applying for membership shall be subject to the same rules and regulations (whether included in these Articles or not) concerning admissions and otherwise as any person not so nominated, and shall if admitted to membership with the consent of the Directors, have the same rights and be subject to the same liabilities and incidents as any person not so nominated, subject, however, to the provisions of Article 45(4) the firm or other incorporated association shall deposit with the Directors the nomination of such applicant for Membership and shall give all information that may be reasonably required by the Directors regarding such applicant.
- (4) A firm or other unincorporated association which has nominated as its representative one of its members as aforesaid may from time to time revoke the nomination of such member and, subject to the consent of the Directors, nominate another representative in his place, upon receipt by the Directors of

any such revocation such member shall ipso facto cease to be a Member or act or be entitled or recognised as a representative of such firm or association, and any person nominated in his place shall, if duly approved by the Directors, be and become a Member and the representative of such firm or association in the place of the representative whose nomination has been revoked as aforesaid.

- (5) All nominations and revocations mentioned in Articles 45(2), 45(3) and 45(4) shall be in writing signed in the case of a firm by all its members or one of its members or partners duly authorised in that behalf, and in the case of any other unincorporated association by its secretary or other authorised representative each such firm or other unincorporated association shall at the date of each nomination give to the Directors in writing full particulars of the nature of the firm or association and its places of business, and of the name of each partner or member thereof and all such further particulars as the Directors shall require, and thereafter shall give such particulars when and as often as may be required by the Directors, any change in the constitution or nature of such firm or association or in the status of any of its members shall be immediately notified in writing to the Directors, who if they do not approve such change shall be entitled (without prejudice to Article 47(3)(a)) to give notice in writing to the Member representing such firm or association to terminate his membership and to withdraw from the Foundation and thereupon such representative shall cease to act or be entitled or recognised as a Member and such firm or other unincorporated association as aforesaid shall have no further right to nominate a Member to act as its representative or similar officer of such unincorporated association, as the case may be.
- (6) A Member shall, having nominated any person pursuant to Articles 45(2) or 45(3), upon any revocation of such nomination (or upon such nominee no longer being associated with such Member) nominate a replacement nominee and in default of the express appointment of such replacement nominee, such nominee shall be deemed to be the secretary of that Member corporation.

Employee Members

46. (1) The provisions of this Article 46 shall have effect to appoint the Employee Members.
- (2) Those Employees who are members of the Employee Council shall be deemed to be nominated as Employee Members upon completion by them of a subscription for membership of the Foundation, provided that the aggregate number of Employee Members shall always be such number as may be notified by the Directors to the Members, such number being not less than two nor more than twenty-five persons, (unless increased pursuant to Article 44(2)) and any person applying for membership in pursuance of such a nomination shall become a Member, subject to the approval of the Directors.
- (3) If any Employee Member is removed from being a Member (under Article 47(3)(a) or if, having been admitted to membership, he ceases for any reason to be a Member whether by reason of him ceasing to be an Employee and/or a member of the Employee Council or otherwise, the Employees shall be entitled to nominate another person in his place who is a member of the Employee Council and who has completed a subscription for membership of the Foundation, and any person applying for membership in pursuance of such a nomination shall, subject to the approval of the Directors, become a Member.
- (4) Every person applying for membership in pursuance of a nomination made under this Article 46 shall be subject to the same bye-laws, rules and regulations concerning admissions as any other person applying for membership, and shall if admitted to membership have the same rights and be subject to the same liabilities and incidents as any other Member.

Termination of Membership

47. (1) The Directors shall, in all cases other than in respect of the Employee Members (which shall be governed by Article 46 (appointment)), have absolute discretion in deciding whether any person or corporation shall or shall not be admitted to membership of the Foundation.
- (2) Any Member may withdraw from the Foundation by giving notice in writing duly signed to the Secretary at least six months before the expiration of any financial year, and such Member shall be deemed to have ceased to be a Member from the date of the expiration of such financial year. Provided that no Member shall be entitled to withdraw from the Foundation if as a result of such withdrawal the number of Members would fall below ten.
- (3) (a) Any Member shall ipso facto cease to be a Member if it is resolved, in accordance with the following provisions of this Article 47(3), that he be removed from Membership.
- (b) A resolution to remove a Member under this Article 47(3) shall not be effective unless it is passed by special resolution.
- (4) In order to avoid the frustration of the Foundation's business, the board of Directors of the Foundation unconditionally reserves the right to terminate, on the prior service of at least three months' notice, the Membership of any Sector Member, who has not been Actively Engaged in the business of the Foundation. No Member shall have any recourse against the Foundation whatsoever in relation to any such decision to terminate the Membership of a Sector Member on the grounds of their lack of engagement.
- (5) Membership is not transferable to anyone else.
- (6) Membership is terminated if the Member dies or ceases to exist.

DUTIES OF MEMBERS

48. Members shall be bound by the following:-
- (1) To observe the provisions of these Articles and all the bye-laws, rules and regulations of the Foundation for the time being in force including, without limitation, any statement of philosophy of the Foundation for the time being in force including, without limitation, any statement of philosophy of the Foundation prepared by the Directors, any such statement being a recognition of the Foundation's philosophy of impartiality and independence.
- (2) To pay and make good to the Foundation any loss or damage which the Foundation may sustain through any wilful act or default of such Member but only if such act or default shall be a breach of any provision of these Articles or of the memorandum of association or of any bye-law, rule or regulation of the Foundation.
- (3) All Members shall be bound to treat and to require their employees to treat all information obtained by virtue of membership and which is not the subject of common knowledge nor openly published elsewhere, as strictly confidential and not to be communicated either directly or indirectly to any corporation or person not a Member without the written consent of the Directors and to continue to abide by this provision in the event of his ceasing to be a Member. Any breach of this condition shall empower the Directors, notwithstanding the provisions of Article 47(3), to remove from the Foundation the Member considered by board resolution.

ORGANISATION OF GENERAL MEETINGS

Members' meetings

49. (1) The Foundation shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year, and shall specify the meeting as such in notices calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Foundation and that of the next.
- (2) The Directors may call a general meeting at any time. If at any time there are not within the United Kingdom sufficient Directors capable of acting to form a quorum, any Director or any two Members may convene a general meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.
- (3) General meetings must be held in accordance with the provisions regarding such meetings in the Act.

Notice of general meetings

50. An annual general meeting and a meeting called for the passing of a special resolution shall be called by twenty-one days' notice in writing at the least, and a meeting of the Foundation, other than an annual general meeting or a meeting for the passing of a special resolution, shall be called by fourteen days' notice in writing at the least. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and 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 a manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Foundation in general meeting, to such persons as are, under the Articles, entitled to receive such notices from the Foundation. Provided that a meeting of the Foundation 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 –
- (1) In the case of a meeting called as the annual general meeting, by all the Members entitled to attend and vote thereat, and
- (2) In the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting, being a majority together representing not less than ninety-five per cent, of the total voting rights at that meeting of all the Members.

All general meetings of the Foundation shall be held in the United Kingdom.

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

51. The business of an annual general meeting shall be:-
- (1) to receive and consider the accounts, the balance sheets, and the reports of the Directors and the auditors;
- (2) to elect Directors and other officers in the place of those retiring; and
- (3) to appoint auditors and fix their remuneration.
- All other business transacted at any general meeting and all business transacted at an extraordinary general meeting shall be deemed special.
52. No business shall be transacted at any general meeting unless a quorum of Members is present in person or by proxy at the time when the meeting proceeds to business and save as herein otherwise provided, such quorum shall be ascertained as follows:-
- (1) A quorum shall consist of ten per cent, of the Members present in person or by proxy and of such ten per cent:-

- (a) ten per cent of the total number of Sector Members must be present in person or in proxy; and
- (b) at least one Employee Member must be present in person or in proxy.

For the purposes of these Articles a Member being a corporation present by its representative shall be deemed to be present in person.

- 53. The Chairman, if any, of the board of Directors shall preside as Chairman at every general meeting of the Foundation, or if there is no such Chairman, or if he shall not be present within half an hour 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 be Chairman.
- 54. If at any meeting no Director is willing to act as Chairman or if no Director is present within half an hour after the time appointed for holding the meeting, the Members present shall choose one of their number to be Chairman

Attendance and speaking by Directors and non-Members

- 55. (1) Directors may attend and speak at general meetings, whether or not they are Members.
- (2) The Chairman may permit other persons who are not Members to attend and speak at a general meeting.
- (3) A person who is not a Member shall not have any right to vote at a general meeting of the Foundation. This Article 55(3) shall not prevent a person who is a proxy for a Member or a duly authorised representative of a Member from voting at a general meeting of the Foundation.

Adjournment

- 56. (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman must adjourn it.
- (2) The Chairman may adjourn a general meeting at which a quorum is present if:-
 - (a) the meeting consents to an adjournment; or
 - (b) it appears to the Chairman that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The Chairman must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the Chairman must:-
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Foundation must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):-
 - (a) to the same persons to whom notice of the Foundation's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.

- (6) If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting ten per cent of the Members shall be quorum.
- (7) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

- 57. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.
- 58. On a show of hands or in on a poll, votes may be given either personally or by proxy.

Errors and disputes

- 59. (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- (2) Any such objection must be referred to the Chairman whose decision is final.

Poll votes

- 60. (1) A poll on a resolution may be demanded:-
 - (a) in advance of the general meeting where it is to be put to the vote; or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- (2) A poll may be demanded by:-
 - (a) the Chairman;
 - (b) by at least two Members present in person or by proxy; or
 - (c) a Member or Members present in person or by proxy representing not less than one tenth of the total voting rights of all the Members.
- (3) A demand for a poll may be withdrawn if:-
 - (a) the poll has not yet been taken; and
 - (b) the Chairman consents to the withdrawal.
- (4) Except as provided in Article 60(5) polls must be taken immediately and in such manner as the Chairman directs.
- (5) 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 at such time as the Chairman directs, and any business, other than that upon which a poll has been demanded, may be proceeded with pending the taking of the poll.
- (6) In the case of an equality of votes, the Chairman shall both on a show of hands at a poll have a casting vote in addition to the vote to which he may be entitled as a Member.
- (7) Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particularly majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Foundation 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.

Votes of Members

61. The votes cast in respect of any resolution shall be apportioned so that the Sector Members voting shall, in aggregate, represent eighty per cent, of the votes cast and the Employee Members voting shall, in aggregate, represent twenty per cent, of the votes cast. As between the Sector Members (and the Employee Members as the case may be) the votes cast in favour of a resolution or against a resolution shall be apportioned in like manner to establish the apportioned number of votes in favour, or against, a particular resolution.
62. If the Directors notify any Member that there are outstanding moneys presently due and payable by such Member to the Foundation and that they intend to invoke Article 61, such Member shall not be entitled to vote at any general meeting until all such moneys have been paid.

Content of proxy notices

63. (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:-
- (a) states the name and address of the Member appointing the proxy;
 - (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - (d) is delivered to the Foundation in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The Foundation may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as:-
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

Delivery of proxy notices

64. (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Foundation by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the Foundation a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.
- (5) A proxy notice may be delivered to the Foundation by email to the email address set out in the proxy notice.

Amendments to resolutions

65. (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:-
- (a) notice of the proposed amendment is given to the Foundation in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman may determine); and
 - (b) the proposed amendment does not, in the reasonable opinion of the Chairman, materially alter the scope of the resolution.
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:-
- (a) the Chairman proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- (3) If the Chairman, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman's error does not invalidate the vote on that resolution.

PART 4 ADMINISTRATIVE ARRANGEMENTS

Means of communication to be used

66. (1) Subject to these Articles, anything sent or supplied by or to the Foundation may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Foundation.
- (2) Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A Director may agree with the Foundation that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

Written resolutions

67. Written resolutions of the Members may be passed in accordance with Sections 288-300 of the Act.

Foundation seals

68. (1) Any common seal may only be used by the authority of the Directors.
- (2) The Directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the Directors, if the Foundation has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this Article, an authorised person is:-
- (a) any Director;
 - (b) the Secretary; or
 - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

Accounts

69. The Directors shall cause accounting records to be kept in accordance with the Act.
70. The accounting records shall be kept at the Office or, subject to 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 Foundation.
71. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Foundation or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Foundation except as conferred by statute or authorised by the Directors or by the Foundation in general meeting.
72. The Directors shall from time to time in accordance with the Act, cause to be prepared and to be laid before the Foundation in general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Act.
73. A copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the Foundation in general meeting, together with a copy of the auditor's report and the Directors' report, shall not less than twenty-one days before the date of the meeting be sent to every Member provided that this Article 72 shall not require a copy of those documents to be sent to any person of whose address the Foundation is not aware.

Audit

74. Auditors shall be appointed and their duties regulated in accordance with the Act.

Notices

75. A notice may be given by the Foundation to any Member either;
- (1) personally; or
 - (2) by sending it by post to him or it or to his or its registered address; or
 - (3) (if the Member has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by the Member to the Foundation for the giving of notice to him or it; or
 - (4) by email to the address supplied by that Member or the authorized representative of that Member; or failing that, the email address for contact as advertised on the website of that Member.

Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, and to have been effected in the case of a notice of a meeting at the expiration of 48 hours after the letter containing the same is posted, and in any other case at the time at which would be delivered in the ordinary course of post. Where a notice is sent by email it shall be deemed served on the next working day after it is sent electronically.

76. Notice of every general meeting shall be given in any manner hereinbefore authorised to:-
- (1) every Member except those Members who (having no registered address within the United Kingdom) have not supplied to the Foundation an address within the United Kingdom for the giving of notices to them;
 - (2) every person being a legal personal representative or a trustee in bankruptcy of a member where the Member but for his death or bankruptcy would be entitled to receive notice of the meeting; and
 - (3) the auditor for the time being of the Foundation.

No other person shall be entitled to receive notices of general meetings.

77. The signature to any notice to be given by the Foundation may be written or printed.

Provision for Employees on cessation of business

78. The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Foundation or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Foundation or that subsidiary.

Secrecy

79. No Member shall be entitled to require discovery of or any information respecting any research work, or make use of any such information, except to the extent permitted by and in strict accordance with any regulations in that behalf made by the Directors from time to time
80. Every Non-Executive Director shall sign an undertaking to observe a strict secrecy respecting the progress and results of all researches of which he shall obtain knowledge while occupying such office as aforesaid and not then or at any time afterwards to use or otherwise take advantage of special knowledge so obtained, or put into operation any invention or process of which he shall have obtained knowledge as aforesaid, except, as regards as a Member to the extent to which, and as and when he shall be entitled so to do in common with other Members in strict accordance with any rules and regulations made by the Directors as provided by these Articles
81. Nothing in Articles 79 and 79 shall prevent discussion, disclosure or publication as between Directors or other officers of the Foundation relating to researches undertaken or proposed to be undertaken by the Foundation subject to any rules and regulations which may be from time to time made by the Directors with regard thereto, or prevent the use of any information obtained in the ordinary course of his own business by any Director office or Member or the continued use of any process already employed in such business though research may subsequently bring such process to the knowledge of the Foundation

DIRECTORS' INDEMNITY AND INSURANCE

Indemnity

82. (1) Subject to paragraph (2), a relevant Director or an associated company may be indemnified out of the Foundation's assets against:-
- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Foundation or an associated company;
 - (b) any liability incurred by that Director in connection with the activities of the Foundation or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act);
 - (c) any other liability incurred by that Director as an officer of the Foundation or an associated company.
- (2) This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this Article:-
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - (b) a "relevant Director" means any Director or former Director or an associated company.

Insurance

83. (1) The Directors may decide to purchase and maintain insurance, at the expense of the Foundation, for the benefit of any Relevant Director in respect of any Relevant Loss.
- (2) In this Article:-
- (a) a "Relevant Director" means any Director or former Director or an associated company;
 - (b) a "Relevant Loss" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to the Foundation, any associated company or any pension fund of the Foundation or associated company; and
 - (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.