

**FILE COPY**



**CERTIFICATE OF INCORPORATION  
OF A PRIVATE LIMITED COMPANY**

Company No. 4038631

The Registrar of Companies for England and Wales hereby certifies that

**MHA CARE GROUP**

is this day incorporated under the Companies Act 1985 as a private company and that the company is limited.

Given at Companies House, London, the 18th July 2000



\*N04038631C\*

  
K DAVIS

For The Registrar Of Companies



**C O M P A N I E S H O U S E**

## Declaration on application for registration

4038631

## Company Name in full

MHA Care Group

I, Gareth Hall

of Devonshires Solicitors, Salisbury House, London, EC2M 5QY

† Please delete as appropriate.

do solemnly and sincerely declare that I am a †[Solicitor engaged in the formation of the company] ~~person named as director or secretary of the company in the statement delivered to the Registrar under section 10 of the Companies Act 1985~~ and that all the requirements of the Companies Act 1985 in respect of the registration of the above company and of matters precedent and incidental to it have been complied with.

And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835.

## Declarant's signature

Gareth Hall

Declared at

SALISBURY HSE, LONDON WALL, LONDON

Day Month Year

on

18 07 2000

● Please print name.

before me ●

JOHN BRADLEY

Signed

J Bradley

Date

18/07/00

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor

Please give the name, address, telephone number, and if available, a DX number and Exchange, of the person Companies House should contact if there is any query.

Devonshires

Salisbury House, London Wall, London

EC2M 5QY

Tel 0207 628 7576

DX number 33856

DX exchange Finsbury Square

When you have completed and signed the form please send it to the Registrar of Companies at:

**Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff**  
for companies registered in England and Wales

or  
**Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB**  
for companies registered in Scotland

DX 235 Edinburgh

Form revised July 1998

Please complete in typescript,  
or in bold black capitals.

CHFP041

**First directors and secretary and intended situation of  
registered office**

Notes on completion appear on final page

**Company Name in full**

4038631

MHA Care Group

**Proposed Registered Office**

(PO Box numbers only, are not acceptable)

Epworth House

Stuart Street

Post town

Derby

County / Region

Postcode DE1 2EQ

If the memorandum is delivered by an  
agent for the subscriber(s) of the  
memorandum mark the box opposite  
and give the agent's name and address.

Agent's Name

Address

Post town

County / Region

Postcode

Number of continuation sheets attached

Please give the name, address,  
telephone number, and if available, a  
DX number and Exchange, of the  
person Companies House should  
contact if there is any query.

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for companies registered in Scotland

DX 235 Edinburgh

**Company Secretary** (see notes 1-5)

Company name MHA Care Group

NAME \*Style / Title

MRS

\*Honours

\*Voluntary details

Forename(s)

ANNA

Surname

MARSHALL-DAY

Previous forename(s)

—

Previous surname(s)

MARSHALL

Address

METHODIST HOUSE, EPWORTH HOUSE,

STUART STREET

**Usual residential address**

For a corporation, give the registered or principal office address.

Post town

DERBY

County / Region

DERBYSHIRE

Postcode

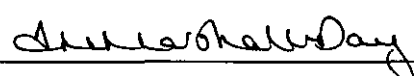
DE1 2EQ

Country

ENGLAND

I consent to act as secretary of the company name on page 1

Consent signature



Date

7/7/00

**Directors** (see notes 1-5)

Please list directors in alphabetical order

NAME \*Style / Title

\*Honours

Forename(s)

Olwen

Surname

Baker

Previous forename(s)

—

Previous surname(s)

PUGH.

Address

14 STOCKS PARK DV..

**Usual residential address**

For a corporation, give the registered or principal office address.

Post town

BOLTON

County / Region

LANCS.

Postcode

BL6 6DD

Country

ENGLAND

Day Month Year

Date of birth

09/03/1935

Nationality

BRITISH.

Business occupation

RETIRED (PREVIOUSLY DEVELOPMENT MAN.)

Other directorships

ON BOARD OF COUNTY PALATINE H.S. LTD

TUNG SING HA LTD.

I consent to act as director of the company named on page 1

Consent signature



Date

13.7.00.

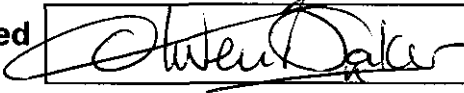
**Directors (continued)** (see notes 1-5)

<b>NAME</b>	<b>*Style / Title</b>	MRS		<b>*Honours</b>		
<b>*Voluntary details</b>	<b>Forename(s)</b>	Susan RUTH				
	<b>Surname</b>	Howdle				
	<b>Previous forename(s)</b>	<del>COLLETT</del>				
	<b>Previous surname(s)</b>	LOWERY				
	<b>Address</b>	1 ST CATHERINES WALK				
<b>Usual residential address</b>		GLEDHSD LANE				
For a corporation, give the registered or principal office address.	<b>Post town</b>	LEEDS				
	<b>County / Region</b>	WEST YORKSHIRE		<b>Postcode</b>	LS8 1SB.	
	<b>Country</b>	BRITAIN				
	<b>Day</b>	<b>Month</b>	<b>Year</b>			
	<b>Date of birth</b>	25	08	19	48	<b>Nationality</b> BRITISH
	<b>Business occupation</b>	LAWYER				
	<b>Other directorships</b>	METHODIST INSURANCE PLC.				
	I consent to act as director of the company named on page 1					
	<b>Consent signature</b>	S. R. Howdle			<b>Date</b>	13.7.00

**This section must be signed by****Either**an agent on behalf  
of all subscribers

<b>Signed</b>		<b>Date</b>	
---------------	--	-------------	--

**Or the subscribers**(i.e. those who signed  
as members on the  
memorandum of  
association).

<b>Signed</b>		<b>Date</b>	13.7.00
<b>Signed</b>	S. R. Howdle	<b>Date</b>	13.7.00
<b>Signed</b>		<b>Date</b>	
<b>Signed</b>		<b>Date</b>	
<b>Signed</b>		<b>Date</b>	
<b>Signed</b>		<b>Date</b>	

## Declaration on application for registration of a company exempt from the requirement to use the word "limited" or "cyfyngedig"

4038631

**Company Name in full**

MHA Care Group

I, Gareth Hall

of Devonshires Solicitors, Salisbury House, London, EC2M 5QY

† Please delete as appropriate.

a [Solicitor engaged in the formation of the above [person  
~~named as director or secretary of the company in the statement delivered~~  
~~under section 10 of the Companies Act 1985~~] do solemnly and sincerely  
declare that the company complies with the requirements of section 30(3) of  
the Companies Act 1985.

And I make this solemn Declaration conscientiously believing the same to  
be true and by virtue of the Statutory Declarations Act 1835.

**Declarant's signature**

*Gareth Hall*

Declared at

SALISBURY HSE, LONDON WALL, LONDON

Day Month Year

on

18 07 2000

● Please print name.

before me ●

JOHN BRADLEY

**Signed**

*J Bradley*

Date

18/07/00

A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor

Please give the name, address,  
telephone number, and if available,  
a DX number and Exchange, of  
the person Companies House  
should contact if there is any query.

Devonshires

Salisbury House, London Wall, London

EC2M 5QY

Tel 0207 628 7576

DX number 33856

DX exchange Finsbury Square

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for companies registered in Scotland **DX 235 Edinburgh**

**THE COMPANIES ACT 1985**  
**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

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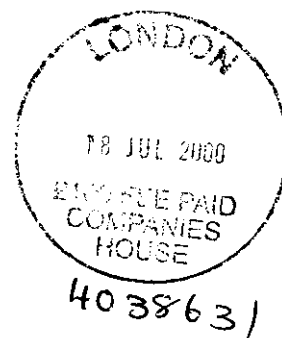
**MEMORANDUM AND ARTICLES OF ASSOCIATION**  
**of**  
**MHA CARE GROUP**

**DEVONSHIRES**  
**SALISBURY HOUSE**  
**LONDON WALL**  
**LONDON EC2M 5QY**

**Tel: 0207 628 7576**  
**GNH\MET.4/1**

**THE COMPANIES ACT 1985**  
**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION**  
**of**  
**MHA CARE GROUP**



**1. Name**

1.1 The Company's name is MHA Care Group.

**2. Registered office**

2.1 The Company's registered office is to be located in England.

**3. Objects**

3.1 The Company's objects ("Objects") shall be for the relief of elderly people and other adults in need, particularly (but not limited to) those with mental illness or physical and/ or learning disabilities by providing

(i) care and support services; and/or

(ii) accommodation; and/or

(iii) any other provision (whether or not similar to the foregoing)

which may facilitate an improved quality of life in the United Kingdom or elsewhere.

3.2 The Company shall not trade for profit.

**4. Powers**

The Company shall have power to do anything lawful which is necessary or desirable to achieve any of the Objects. Without limiting the generality of this, in furtherance of the Objects but not otherwise the Company may exercise the following powers:-

4.1 to provide appropriate care and/or support, at whatever location, to meet the needs of an individual – whether in a property managed by any Group Company or in which it owns an interest or not;

4.2 to manage any form of buildings or accommodation including (without limitation) residential homes, nursing homes or sheltered housing;

4.3 to provide, construct, lease, repair or improve any of the above or to dispose of

Sl Day £100  
N/unc

NW 051081



them in any manner, including (without limitation) sale, the grant of leases, tenancies or licences or disposal on shared ownership terms:

- 4.4 to make a loan to any person or persons for the acquisition of any interest in property;
- 4.5 to acquire domestic property, commercial property or business as an incidental part of the project or series of projects undertaken for purposes or objects falling within this Clause 3;
- 4.6 to further the interests and welfare of all older people by issue campaigning partnerships and any other means;
- 4.7 to encourage and give advice on the formation of other charitable bodies and to provide services for, or give advice on the running of, other charitable bodies;
- 4.8 subject to Clause 5 hereof to employ or engage staff, consultants, managers, agents, advisers or others and whether on a paid or voluntary basis;
- 4.9 to give or award pensions, annuities, gratuities and superannuation or other allowances or benefits or charitable aid and generally to provide advantages, facilities and services for any persons who are or have been employed by, or who are serving or have served any Group Company, or of the predecessors in business of any Group Company and to the children and other relatives and dependants of such persons; to make payments towards insurances; and to set up, establish, support and maintain superannuation and other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and of their wives, widows, children and other relatives and dependants;
- 4.10 subject to the provisions of the Companies Acts, to insure and arrange insurance cover for and to indemnify its members, servants and voluntary workers from and against all such risks incurred in the proper performance of their duties as it shall consider appropriate and to purchase, maintain and pay any premium in relation to indemnity insurance in respect of any liability of its Board Members, Secretary or other officer of the Company or any of them which would otherwise attach to them in respect of any negligence, default, breach of duty or breach of trust of which they may be guilty in relation to the Company;
- 4.11 to acquire, construct, manage, alter, improve and (subject to such consents as may be required by law) to charge (including by way of floating charge) or otherwise dispose of or deal with property including without limitation residential properties, recreational facilities, gardens and open spaces and to provide services of all kinds for and assistance to bodies corporate, unincorporated bodies, trusts or individuals engaged in the provision or occupation of any property and associated amenities;
- 4.12 to invest any monies of the Company not immediately required for the furtherance of the Objects in any investment from time to time authorised by law for the

investment of trust funds such investments to include but not be limited to stocks or shares or debentures of any body corporate and to hold, sell or otherwise deal with any investments made subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law;

- 4.13 subject to such consents as may be required by law and compliance with all relevant binding guidance issued by the Company's regulators (if any) to purchase or otherwise acquire, or to encourage or promote or in any way support or aid the establishment and development of, any subsidiary and to subscribe, purchase or acquire in any other way any chose in action (including but without prejudice to the generality of the foregoing any stock, share, security, unit, debenture or debenture stock in each case whether preferred or deferred, secured or unsecured) and to guarantee, indemnify and secure by mortgaging or charging all or any part of its assets the obligations and liabilities of, and to make available financial assistance or accommodation in any other way to, any such subsidiary or (to the extent permitted by law and the Company's regulators, if any) any other body corporate, unincorporated body, trust or individual and to acquire and hold all or any part of the capital (or otherwise become and remain a member) of any body corporate and to act as a holding company;
- 4.14 subject to such consents as may be required by law to borrow and raise money in any manner as the Company shall think fit and to enter into any transaction to hedge its exposure to variations in interest rates or currency exchange rates and to provide security for any such money and transaction;
- 4.15 to enter into any contracts or arrangements with any persons or bodies including without prejudice to the above any company or body corporate or any international, national or local or other authority;
- 4.16 to co-operate with bodies which do not trade for profit and statutory authorities operating in furtherance of the Objects or similar purposes and to exchange information and advice with them;
- 4.17 subject to such consents as may be required by law and compliance with all relevant binding guidance issued by the Company's regulators (if any), to establish, support, subscribe to, become a member of or amalgamate or co-operate with any other organisation, institution, society or body not formed or established for purposes of trading for profit (whether incorporated or not and whether in Great Britain or Northern Ireland or elsewhere) whose objects are wholly or in part similar to those of the Company and to purchase or otherwise acquire and undertake all such parts of the property, assets, liabilities and engagements as may lawfully be acquired or undertaken by the Company of any such organisation, institution, society or body;
- 4.18 to raise funds and to invite and receive contributions PROVIDED THAT in raising funds the Company shall conform to any relevant statutory regulations;
- 4.19 to draw, make, accept, discount, execute and issue promissory notes, bills,

cheques and other instruments and to operate bank accounts in the name of the Company;

- 4.20 to make donations, grants and loans and give credit to such persons and organisations and on such terms (with or without security) as the Company shall think fit to further the Objects;
- 4.21 to promote encourage or undertake any form of research relevant to the Objects and to publish and disseminate the results of such research;
- 4.22 to provide or assist in the provision of employment and training facilities;
- 4.23 to provide support and accommodation for any other organisation, institution, society or body whose objects are wholly or in part similar to the Objects;
- 4.24 to pay out of funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
- 4.25 to do all or any of the things or matters aforesaid either as principals, agents, contractors or otherwise and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others; and
- 4.26 to do all such other things as in the opinion of the Company are or may be incidental or conducive to the attainment of the above objects or any of them.

AND it is hereby declared that in this clause "the Companies Acts" means every statute or statutory instrument from time to time in force regulating companies, "company", except where used in reference to this Company, shall include any partnership or other body or persons, whether incorporated or not incorporated, and whether formed, incorporated, domiciled or resident in the United Kingdom or elsewhere, "person" shall include any company as well as any other legal or natural person, words denoting the masculine gender shall include the feminine gender and vice versa, "subsidiary" and "holding company" shall include, respectively, "subsidiary undertaking" and "parent undertaking" in each case as defined in the Companies Acts, "Group Company" means the Company, any body corporate of which the Company is a subsidiary and any subsidiary of the Company or of such body corporate "securities" shall include any fully, partly or nil paid or no par value share, stock, unit, debenture, debenture or loan stock, deposit receipt, bill, note, warrant, coupon, right to subscribe or convert, or similar right or obligation, "and" and "or" shall mean "and/or" where the context so permits, and "other" and "otherwise" shall not be construed ejusdem generis where a wider construction is possible.

## **5. Application of assets**

- 5.1 The income and property of the Company shall be applied solely towards its objects. Nothing shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise in any circumstances to Shareholders of the Company or its Board members. For the purpose of this clause and clauses 5 to 8, "Shareholder" means a member of the

Company and "Board member" means a Director of the Company.

- 5.2 Notwithstanding clause 5.1, the Company may pay reasonable and proper out of pocket expenses to Shareholders or Board Members, and make such other payments and grant such benefits as may not be prohibited under Part I of Schedule 1 to the Housing Act 1996 and any determinations or guidance by the Housing Corporation thereunder.

**6. Limitation of liability**

- 6.1 The liability of the Shareholders is limited.

**7. Guarantee**

- 7.1 Every Shareholder undertakes to contribute an amount not exceeding £1 to the assets of the Company, in the event of it being wound up while he or she is a Shareholder or within one year after he or she has been a Shareholder.

- 7.2 Such contribution shall be towards:

- (1) the debts and liabilities of the Company contracted before he or she ceases to be a Shareholder;
- (2) the costs, charges and expenses of winding up; and
- (3) the adjustment of the rights of the Shareholders amongst themselves.

**8. Dissolution**

Subject to any requirements of the Housing Corporation or any contractual requirements:

- 8.1 the Shareholders may resolve to give or transfer any property that remains after the Company is wound up or dissolved to another charitable body with objects which are wholly or in part similar to the Objects of this Company as defined in clause 3; or
- 8.2 if no such body exists or no such resolution is passed the property shall be transferred or given to a charitable registered social landlord or other body with objects which are wholly or in part similar to those of this Company or if no such body exists, to the Housing Associations Charitable Trust.

We the persons whose names and addresses are written below wish to be formed into a company under this Memorandum of Association.

NAME AND  
ADDRESS OF  
SUBSCRIBER

SIGNATURE OF  
SUBSCRIBER

SIGNATURE AND ADDRESS  
OF WITNESS TO  
SIGNATURE OF SUBSCRIBER

1. S. R. HOWLE  
1 ST CATHERINES WALK  
GLEDHOL LANE  
LEEDS

S. R. Howle

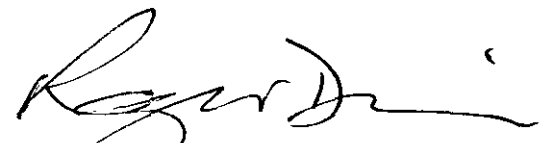


ROGER DAVIES  
9 THE FARWAYS  
CLIFTON  
ASHBOURNE

[Church Shareholder]

2. O. BAKER  
14 STOCKS PARK DR.  
HORWICH  
BOLTON

O. Baker



ROGER DAVIES  
9 THE FARWAYS  
CLIFTON  
ASHBOURNE.

[Church Shareholder]

Witness to the above signatures

Dated 13 July 2000

**THE COMPANIES ACT 1985**  
**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION**  
**of**  
**MHA CARE GROUP**

**INTERPRETATION**

1 In the Articles unless the context otherwise requires:

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

**the "Articles"** means these Articles of Association as originally adopted or as altered from time to time and references to numbered articles are references to the relevant paragraph of the Articles;

**"Board"** means the Board of the Company (being the directors of the Company for the purpose of the Companies Acts) or, where the context admits, the Board Members present at a meeting of the Board, or of a committee of the Board, at which a quorum is present;

**"Board Member"** means a person from time to time appointed and acting as a Board Member of the Company in accordance with these Articles;

**"Chair"** means either of the persons appointed as Chair or deputy Chair in accordance with these Articles or, as the case may require, the person who presides at a general meeting or Board meeting;

**"Church"** means the Methodist Church as defined in the Methodist Church Act 1976;

**"Church Board Member"** means a Board Member appointed under Article 66;

**"Church Shareholder"** means a Shareholder admitted under Article 8;

**"Company"** means the company intended to be regulated by these Articles;

**"Companies Acts"** means every statute or statutory instrument from time to time in force regulating companies;

**“Conference”** means the Annual Conference of the Church and includes the governing body from time to time of the Church and any body to which it has delegated authority;

**“Corporate Shareholder”** means any Shareholder which is a body corporate;

**“Corporation”** means the Housing Corporation or the National Assembly for Wales or Scottish Homes;

**“Group”** means the Company, any Subsidiary of the Company, any body corporate of which the Company is a Subsidiary and any Subsidiary of such body, and **“Group Member”** means any of the foregoing;

**“Independent Board Member”** means a Director elected in accordance with Articles 57, 71 and 76 to 78;

**“Independent Shareholder”** means a Shareholder appointed under Articles 11 to 14;

**“Memorandum”** means the memorandum of association of the Company;

**“office”** means the registered office of the Company;

**“officer”** includes the Chair and Secretary and any Director and any other persons appointed under Articles 116 to 118;

**“the seal”** means the common seal of the Company;

**“Secretary”** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including an alternate, joint, assistant or deputy secretary;

**“Service User”** means a person who alone or jointly with others holds a tenancy, lease, licence or agreement to occupy the premises of any Group Member for residential use and/or for whom the Company or any other Group Member provides services;

**“Shareholder”** means any person, firm or company who is admitted and designated as a shareholder of the Company in accordance with the provisions of these Articles and who, for the avoidance of doubt, is a “member” within the meaning of the Companies Acts;

**“Subsidiary”** means a body corporate which is a subsidiary (within the meaning of section 736 Companies Act 1985) of the Company;

**“Subsidiary Shareholder”** means a Shareholder appointed under Articles 9 and 10;

**“Subsidiary Board Member”** means a Board Member appointed under Articles 67 or 68;

**“the United Kingdom”** means the United Kingdom of Great Britain and Northern Ireland.

words or expressions contained in any provision of these Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when the provision becomes binding on the Company; and

words importing individuals shall, unless the context otherwise requires, include corporations and words importing the singular number shall include the plural, and words importing the masculine gender only shall include the female gender and vice versa.

- 2 No model articles of association or regulations set out in the Companies Acts or in any statutory instrument or order made thereunder shall apply to the Company.

## **NATURE OF SHAREHOLDING MEMBERSHIP**

- 3 A Shareholder of the Company is a person or body whose name and address is entered in the register of Shareholders. A Shareholder will, for the avoidance of doubt, be a "member" within the meaning of the Companies Acts.

- 4 The following cannot become Shareholders:

- 4.1 a minor;
- 4.2 a person who has been expelled as a Shareholder, unless authorised by special resolution at a general meeting;
- 4.3 an employee of the Company or of any other Group Member;
- 4.4 a person who is bankrupt or (in the case of a body corporate) is in liquidation or the subject of an administration order or has had a receiver and/or manager appointed over any of their assets, or (in either case) who is subject to an agreement with their creditors;
- 4.5 a person who is, or may be, suffering from mental disorder and either
  - who is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
  - in respect of whom an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his or her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his or her property or affairs;
- 4.6 a person who has within the last five years been convicted of an indictable offence; and
- 4.7 a person to whom the notification requirements of Sex Offenders Act 1997 (as amended from time to time) apply.



- 5 A corporate body can be a Shareholder.
- 6 No more than one person may be appointed as joint Shareholders.

#### **NUMBER OF SHAREHOLDERS**

- 7 The maximum number of Shareholders shall be twelve or such other number as may be determined by the Board.

#### **CHURCH SHAREHOLDERS**

- 8 The Conference shall have power, by an instrument in writing delivered to the office, to appoint up to one third of the maximum number of Shareholders from time to time in force and to remove by such notice any Shareholder so appointed. The first Church Shareholders are the subscribers to the Memorandum identified therein as Church Shareholders.

#### **SUBSIDIARY SHAREHOLDERS**

- 9 Up to one third of the maximum number of Shareholders from time to time may be appointed and removed by the Subsidiaries in the manner set out in Article 10.
- 10 The Board shall from time to time determine which Subsidiaries are entitled to appoint Shareholders and in what numbers. The Board will admit as Shareholders persons appointed by Subsidiaries by notice in writing in accordance with the determination subject to the limit in Article 9. A Subsidiary which has appointed a Shareholder in accordance with this Article may remove that Shareholder by notice in writing delivered to the office.

#### **INDEPENDENT SHAREHOLDERS**

- 11 Up to one third of the maximum number of Shareholders from time to time may be Independent Shareholders.
- 12 The Board shall set and review its policies and objectives for admitting new Independent Shareholders. Any person appointed as an Independent Board Member shall be admitted as an Independent Shareholder (if they are not already an Independent Shareholder). An Independent Shareholder may not be a member of the main governing body of any Group Member (other than the Company).
- 13 An applicant for admission as an Independent Shareholder shall apply in writing to the office setting out their reasons for applying and their qualifications in accordance with the these Articles and the Company's policies and objectives.

- 14 Every application shall be considered by the Board taking account of the policies and objectives referred to in Article 12. The Board has the power in its discretion to accept or reject the application. If the application is approved the name of the applicant and the other necessary particulars shall be entered in the register of Shareholders. A copy of the Memorandum and Articles shall be issued to the applicant if requested.

## **OBLIGATIONS OF SHAREHOLDERS**

- 15 All Shareholders agree to be bound by the obligations on them set out in these Articles and in any rules made under these Articles. When acting as Shareholders they must act in the interest of the Company and, for the benefit of the community, as guardians of the objects of the Company.

## **ENDING OF SHAREHOLDING MEMBERSHIP**

- 16 Any Shareholder may resign from acting as a Shareholder of the Company by giving one (1) month's notice in writing duly signed to the Secretary provided that after such retirement the number of Shareholders is six or more. Such Shareholder will cease to be a Member from the date of the expiration of such notice.
- 17 Any Shareholder (being also a Board Member, or a member of a committee of the Company's Board, or a member of a governing body of a Subsidiary or a member of a committee of such governing body) who ceases to be a member of any such Board, body or Committee will cease to be a Shareholder.
- 18 A Shareholder shall also cease to be member if:
- 18.1 they die; or
  - 18.2 they are removed or expelled under Article 17 or 19; or
  - 18.3 they do not participate in, nor deliver written apologies in advance to, a general meeting of the Company in the period starting with one annual general meeting up to and including the next annual general meeting; or
  - 18.4 in the case of a body corporate it ceases to be a body corporate; or
  - 18.5 they become ineligible to be a Shareholder under Article 4; or
  - 18.6 they fail to respond to a notice despatched to them asking whether they wish to remain a Shareholder by the Company within 3 months of the date of despatch of the notice (where the notice states that a response to the Company is required) and, following the expiry of that period, they fail to respond to a further similar notice within a similar period.

- 19 A Shareholder may be expelled by a special resolution at an extraordinary general meeting called by the Board.
- 19.1 The Board must give the relevant Shareholder at least one month's notice in writing of the general meeting. The notice to the Shareholders must set out the particulars of a complaint of conduct detrimental to the Company, and must request the relevant Shareholder to attend the meeting to answer the complaint.
- 19.2 At the general meeting called for this purpose the Shareholders shall consider the evidence presented by the Board and by the relevant Shareholder (if any). The meeting may take place even if the relevant Shareholder does not attend.
- 19.3 If a special resolution to expel a Shareholder is passed in accordance with this Article 19, the Shareholder shall immediately cease to be a Shareholder.

## **GENERAL MEETINGS AND MEMBERS' RESOLUTIONS**

### **Annual General Meeting**

- 20 The Company shall hold an annual general meeting each year in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it.
- 21 Not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The first annual general meeting shall be held within eighteen months of its incorporation.

### **Functions of the Annual General Meeting**

- 22 The functions of the annual general meeting shall be:
- 22.1 To receive the annual report and financial statements of the Company including:
- the revenue accounts and balance sheets for the last accounting period
  - the auditor's report on those accounts and balance sheets
  - the Board's report on the affairs of the Company;
- 22.2 To appoint the auditor;
- 22.3 To elect Independent Board Members; and
- 22.4 To transact any other business of the Company included in the notice convening the meeting.

### **Extraordinary General Meetings**

- 23 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 24 The Board may call general meetings and, on a written requisition signed by Shareholders holding not less than a tenth of voting rights at a general meeting (stating the business for which the meeting is to be convened) must promptly proceed to convene an extraordinary general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient Board Members to call a general meeting, or if within 28 days after delivery of a requisition to the secretary a meeting required under this Article is not convened, any Board Member or any Shareholder may call a general meeting.

### **Notice of General Meetings**

- 25 Subject to Article 26 an annual general meeting and an extraordinary general meeting called for the passing of a special resolution shall be called by at least twenty-one clear days' notice, and all other extraordinary general meetings shall be called by at least fourteen clear days' notice.
- 26 A general meeting may be called by shorter notice than stated in Article 25 if it is so agreed:
- 26.1 in the case of an annual general meeting, by all the Shareholders entitled to attend and vote at it; and
- 26.2 in the case of any other general meeting, by a majority in number of the Shareholders having a right to attend and vote being a majority together holding not less than ninety-five per cent of the total voting rights at the meeting of all Shareholders.
- 27 The notice of a general meeting shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such. The notice shall be given to all the Shareholders and to the Board Members and Auditors.
- 28 Any Shareholder entitled to attend a general meeting shall be entitled to appoint another as his proxy to attend instead of him and any proxy so appointed shall have the same right as the Shareholder to speak at the meeting.
- 29 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.

### **Quorum of General Meetings**

30 No business shall be transacted at any meeting unless a quorum is present. A quorum is present if:

30.1 at least six Shareholders are present in person; and

30.2 there are present in person or by proxy at least one third of the Shareholders.

31 If a quorum is not present within half an hour from the time appointed for a general meeting

31.1 if the meeting has been held as a result of a Shareholders' requisition, it shall be dissolved;

31.2 in any other case the general meeting shall stand adjourned to the same day in the next week at the same time at the office or to such other day and at such other time and place as the Board may determine.

The same shall apply if during a meeting a quorum ceases to be present.

32 If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 30 the Shareholders present shall constitute a quorum throughout the duration of the meeting.

### **Chair of General Meetings**

33 The Chair, if any, of the Board shall preside as Chair of each general meeting.

34 If there is no Chair, or if the Chair is not present and willing to act within fifteen minutes after the time appointed for holding the meeting, the Shareholders present shall elect one of their number to be Chair of the meeting.

35 The person so chosen to be Chair of the meeting must be a Board Member if one is present and willing to act.

### **Board Members at General Meetings**

36 A Board Member (including a co-optee) is entitled to attend and speak at any general meeting or meeting of the Company.

### **Adjournment of General Meetings**

37 The Chair may, with the consent of a general meeting at which a quorum is present, adjourn the meeting from time to time and from place to place.

38 No business shall be transacted at an adjourned general meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place.

- 39 An adjourned meeting is a continuation of the original meeting. The date of all resolutions passed is the date they were passed (as opposed to the date of the original meeting).
- 40 It shall not be necessary to give any notice of any adjourned general meeting.

## **VOTES OF SHAREHOLDERS**

### **Demand for a ballot**

- 41 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a ballot is duly demanded. Subject to the provisions of the Companies Acts, a ballot may be demanded:-

41.1 by the Chair; or

41.2 by any three Shareholders

and a demand by a person as proxy for a Shareholder shall be the same as a demand by a Shareholder.

### **Votes of Shareholders**

- 42 Subject to Article 43 on a show of hands or on a ballot

42.1 the Church Shareholders present in person or by proxy as a class shall be entitled to (in aggregate) one third of the total votes available to all Shareholders;

42.2 the Subsidiary Shareholders present in person or by proxy as a class shall be entitled to (in aggregate) one third of the total votes available to all Shareholders;

42.3 the Independent Shareholder present in person or by proxy as a class shall be entitled to (in aggregate) one third of the total votes available to all Shareholders

and the total votes available to all the Shareholders of a class shall be divided equally between those Shareholders of that class who are present in person or by proxy at the meeting.

- 43 In the case of an equality of votes, whether on a show of hands or on a ballot, the Chair of the meeting shall be entitled to a casting vote.
- 44 Unless a poll is duly demanded (either before or immediately after the vote) a declaration by the Chair that a resolution has been carried (or not carried) unanimously, or by a particular majority, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

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

#### **Withdrawal of demand for a ballot**

- 46 The demand for a ballot may be withdrawn before the ballot is taken. The withdrawal of a demand for a ballot shall not invalidate the result of a show of hands declared before the demand for a ballot was made.

#### **Conduct of a ballot**

- 47 A ballot demanded on the election of a Chair or on a question of adjournment must be taken immediately. A ballot demanded on any other question shall be taken in such manner as the Chair directs, either at the meeting or separately.
- 48 The demand for a ballot shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a ballot is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

#### **Written Resolutions**

- 49 A resolution in writing signed by or on behalf of each Shareholder who would have been entitled to vote on it if it had been proposed at a general meeting at which he or she was present shall be as valid as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the same form each signed by or on behalf of one or more Shareholders.

#### **Appointment of Proxy**

- 50 An instrument appointing a proxy shall be in writing, signed by or on behalf of the appointor. It may be in any form which is usual or which the Board may approve.
- 51 The instrument appointing a proxy and any authority under which it is signed, or a copy of that authority certified notarially or in some other way approved by the Board, may be deposited at the office or at any other place (within the United Kingdom) specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 48 hours before the time for holding the meeting at which the person named in the instrument proposes to vote. Any instrument of proxy which is not deposited or delivered as described above shall be invalid. Any question as to the validity of a proxy shall be determined by the Chair of the meeting whose decision shall be final. A proxy must be a Shareholder.

### **Validity of votes**

- 52 A vote given or ballot demanded by proxy or by the duly authorised representative of a corporation shall be valid even if the authority of the person voting or demanding a ballot has been terminated unless notice of the termination was received by the Company at the office (or at any other place at which an instrument of proxy was duly deposited) before the start of the meeting or adjourned meeting at which the vote is given or the ballot demanded or (in the case of a ballot taken after the day of the meeting or adjourned meeting) before the time appointed for taking the ballot.
- 53 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chair whose decision shall be final and conclusive.

### **CORPORATE REPRESENTATIVES**

- 54 A Corporate Shareholder may nominate a person to act as its representative in the manner provided in Section 375 of the Act. Such representative shall have the right on behalf of the Corporate Shareholder to attend meetings of the Company and vote at them, and generally exercise all rights of membership on behalf of the Corporate Shareholder to the extent to which the Corporate Shareholder would if a person be entitled to do so. A Corporate Shareholder may from time to time revoke the nomination of its representative, and nominate another representative in his or her place. All such nominations and revocations must be in writing and will only take effect when received at the office.

### **BOARD: GENERAL**

- 55 The Board shall consist of twelve Board Members, or of such lower number not being less than seven (excluding co-optees) as may be determined by the Board before the first annual general meeting and thereafter by the Company in general meeting.
- 56 Only Church Shareholders can be Church Board Members, only Subsidiary Shareholders can be Subsidiary Board Members and only Independent Shareholders can be Independent Board Members.
- 57 Whenever the number of Board Members and co-optees is less than permitted by these Articles as a result of an Independent Board Member ceasing to be a Board Member for whatever reason the Board may appoint a further Independent Board Member in addition to the Board's power to co-opt. Any Board Member so appointed shall retire at the next annual general meeting.
- 58 The first Board Members shall be those persons named in the statement delivered pursuant to Section 10(2) of the Act who shall be deemed to have been appointed under the Articles. Future Board Members shall be appointed as provided subsequently in these Articles.



- 59 The Board may appoint co-optees to serve on the Board on such terms as the Board resolves and may remove such co-optees. A co-optee may act in all respects as a Board Member, but they cannot vote on any resolution of the Board.
- 60 For the purposes of the Housing Act 1996 a co-optee is an officer.
- 61 Not more than four co-optees can be appointed to the Board or to any committee at any one time.
- 62 No person may be or remain a Board Member, committee member or co-optee:
- 62.1 unless he or she has attained the age of 18 years; or
- 62.2 if, had he or she already been a Board Member, he or she would have been disqualified from acting under Article 63.

#### **TERMINATION OF BOARD MEMBERSHIP**

- 63 A Board Member shall cease to be a Board Member if he or she:
- 63.1 ceases to be a Board Member by virtue of any provision of the Companies Acts or becomes prohibited by law from being a Board Member or is removed from office under these Articles or becomes ineligible under these Articles to be a Board Member of the relevant category; or
- 63.2 dies or becomes bankrupt or makes any arrangement or composition with his or her creditors generally; or
- 63.3 is, or may be, suffering from mental disorder and either:-
- (i) he or she is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
- (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his or her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his or her property or affairs; or
- 63.4 has for four consecutive Board meetings been absent without permission of the Board from Board meetings held during that period and the Board resolve that he or she shall be removed from the Board;
- 63.5 has within the last five years been convicted of an indictable offence; or

- 63.6 is a person to whom the notification requirements of Sex Offenders Act 1997 (as amended from time to time) apply.
- 64 A Board Member may be removed from the Board by an ordinary resolution at a general meeting.

## **FUNCTIONS OF THE BOARD**

- 65 The Board shall direct the affairs of the Company in accordance with its objects. Amongst its functions shall be to:
- 65.1 define and ensure compliance with the values and objectives of the Company;
  - 65.2 establish policies and plans to achieve those objectives;
  - 65.3 approve each year's accounts prior to publication and approve each year's budget;
  - 65.4 establish and oversee a framework of delegation and systems of control;
  - 65.5 agree policies and make decisions on all matters that create significant financial risk to the Company or which affect material issues of principle;
  - 65.6 monitor the Company's performance in relation to these plans, budget controls and decisions;
  - 65.7 appoint (and if necessary remove) the Company's chief executive (if any);
  - 65.8 satisfy itself that the Company's affairs are conducted in accordance with generally accepted standards of performance and propriety; and
  - 65.9 take appropriate advice;
- and any of these functions may be delegated on such terms as the Board see fit.

## **CHURCH BOARD MEMBERS**

- 66 The first Church Board Members are the first Church Shareholders (as specified in Article 8). The Conference shall have power, by an instrument in writing delivered to the office, to appoint in aggregate up to one third of the maximum number of Board Members from time to time in force and to remove by such notice any Board Member so appointed. Only Church Shareholders are eligible to be appointed as Church Board Members.

## **SUBSIDIARY BOARD MEMBERS**

- 67 Up to one third of the maximum number of Board Members from time to time may be appointed and removed by the Subsidiaries in the manner set out in Article 68. Only Subsidiary Shareholders are eligible to be appointed as Subsidiary Board Members.
- 68 The Board shall from time to time determine which Subsidiaries are entitled to appoint Board Members and in what numbers. The Board will admit as Board Members persons appointed by Subsidiaries by notice in writing in accordance with the determination subject to the limit in Article 67. A Subsidiary which has appointed a Board Member in accordance with this Article may remove that Board Member by notice in writing delivered to the office.

## **ELECTION OF INDEPENDENT BOARD MEMBERS**

- 69 At least one third of maximum number of the Board Members from time to time may be persons who are not members of the governing body of any Group Member (other than the Company) nor of any committee of any such governing body.
- 70 Subject to Article 69 the number of Independent Board Members at any time will be set by the Board.
- 71 The first Independent Board Members will be appointed by the Board before the first annual general meeting of the Company.

## **RETIRING OF BOARD MEMBERS BY ROTATION**

- 72 At every annual general meeting not less than one third of the Board Members shall retire from office and, subject to Article 73, may (if eligible) apply for re-election. In each case Board Members forming the retiring third shall be those who have been longest in office since they were last elected or re-elected to the Board. If the choice is between people who became Board Members on the same day those to retire shall be chosen by lot if not agreed. Anybody appointed to fill a casual vacancy under Article 57 during the year and who retires for that reason shall not count towards the one third to retire.
- 73 Any Board Member who, at the date of an annual general meeting at which he or she is required to retire under Article 72, has been a Board Member for a continuous period of not less than five years and ten months) (or, in the case of a Board Member who at the date of that annual general meeting is the Chair or Treasurer of the Company, eight years and ten months shall not be eligible for re-election at that annual general meeting or for election as a Board Member [at any time before the succeeding annual general meeting]. If, at the date of that annual general meeting, the Board Member is (or has been within the last twelve months) also a member of the governing body of any one or more other Group Members, then the Board Member shall not be eligible for re-appointment as a Board Member of the Company until the expiry of [one year after] he or she has ceased to be a member of any and all such governing bodies.

74 Where as Church Board Member or Subsidiary Board Member is to retire at an annual general meeting under Article 72 (a "retiring Board Member") and wishes to apply for re-election, the Board shall (not less than three months before the proposed date of the annual general meeting) consider whether to recommend the retiring Board Member for re-election. If the Board recommends the retiring Board Member for re-election it shall so inform

74.1 in the case of a retiring Church Board Member, the Conference

74.2 in the case of a retiring Subsidiary Board Member, those Subsidiaries which (under Articles 67 and 68) are entitled to appoint and remove Subsidiary Board Members

and, unless on or before the date of the relevant annual general meeting the Conference or, as the case may be, the relevant Subsidiaries have determined to exercise their rights under Article 66 or 67 or 68 to replace that retiring Board Member, he or she will be deemed re-elected with effect from the relevant annual general meeting.

75 Where a retiring Church Board Member or retiring Subsidiary Board Member is not eligible for re-election or does not wish to apply for re-election or the Board determines not to recommend him or her for re-election, the Board shall so inform the relevant body specified in Article 73.1 or 73.2 and invite the relevant body to make an appointment in accordance with Article 66 or 67 or 68 (as applicable) with effect from the date on which the retiring Board Member ceases to be a Board Member.

76 If, at an annual general meeting, the candidates eligible for election as Independent Board Members do not exceed the number of vacancies for Independent Board Members on the Board the Chair shall declare those candidates to have been duly elected. If the number of candidates exceed the number of vacancies the meeting shall elect Independent Board Members by ballot in such a manner as the Chair directs.

77 In an election at a general meeting subject to Article 43 every Shareholder present in person or by proxy shall have one vote for every vacancy but shall not give more than one vote to any one candidate.

78 In making appointments or casting their votes in an election, Shareholders shall endeavour to ensure that the Independent Board Members collectively possess the qualities, skills and experience which the Company has from time to time determined that it requires.

## **CANDIDATES FOR THE BOARD**

79 Any candidate for election as an Independent Board Member shall submit a written statement to the Company in such form as the Board from time to time determines. It shall set out the candidate's full name, address, and occupation and the reasons for their suitability to be an Independent Board Member. The statement shall be delivered to the office at least 14 days before the meeting at which the election is to be held.

## POWERS OF BOARD

- 80 Subject to the provisions of the Companies Acts, the Memorandum and the Articles the business of the Company shall be directed by the Board who may exercise all the powers of the Company.
- 81 No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Board which would have been valid if that alteration had not been made or that direction had not been given.
- 82 The powers given by Article 80 shall not be limited by any special power given to the Board by the Articles and a meeting of Board at which a quorum is present may exercise all powers exercisable by the Board.
- 83 In addition to all powers hereby expressly conferred upon them and without detracting from the generality of their powers under these Articles, the Board shall have the following powers, namely to:
- 83.1 purchase, take or grant any interest in land, or construct or carry out works to buildings;
  - 83.2 help any charity or body not trading for profit in relation to housing;
  - 83.3 subject to Articles 111 to 114, borrow money or issue loan stock and enter into rate cap transactions for the purposes of the Company on such terms and on such security including floating charges as the Company thinks fit;
  - 83.4 invest the funds of the Company; and
  - 83.5 enter into any form of guarantee, indemnity or suretyship whatsoever.
- 84 The Board may delegate the exercise of any of its powers under written terms of reference to committees or to employees of the Company on such terms as the Board determines. Such delegation may include any of the powers and discretions of the Board. Delegates and committees shall report their acts and proceedings promptly to and conform to any regulations made by the Board.
- 85 The membership of any committee shall be determined by the Board. The Board shall appoint the chair of any committee and shall specify the quorum. Meetings of committees shall be governed by the provisions in these Articles for regulating Board meetings, so far as they apply and so far as they do not conflict with any regulations made by the Board. For the purpose of the Housing Act 1996 any member of a committee shall be an officer.
- 86 The Board may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his or her powers.

## **BOARD MEMBERS' BENEFITS**

- 87 The Company shall not pay or grant any benefit to anyone who is a Board Member or a co-optee or a member of a committee unless this is expressly permitted by the Memorandum and these Articles or by the Housing Act 1996 or by regulations made under that Act or by any determination made by the Corporation. For this purpose any payment made or benefit conferred by a connected company (under Article 88.2) shall be treated as if it had been made or conferred by the Company.

## **BOARD MEMBERS' APPOINTMENTS AND INTERESTS**

- 88 Subject to the provisions of the Act and provided that he or she has disclosed to the Board the nature and extent of any material interest of his or hers, a Board Member notwithstanding his or her office:

88.1 may have such a personal interest in any transaction or arrangement as is permitted by Article 87;

88.2 may be a director or other officer of, or employed by any Group Member or any other body corporate promoted by the Company or in which the Company has a constitutional interest or to which the Company has nominated the Board Member; and

88.3 may be a director or other officer of, or employed by, or a consultant to, a local authority or other public body or a charity or voluntary organisation (being an organisation not trading for profit) which is a party to any transaction or arrangement with the Company.

- 89 For the purposes of Articles 88 and 91:

89.1 a general notice to the Board Members that a Board Member is to be regarded as having an interest (as specified in the notice) in any transaction or arrangement in which a specified person or class of persons is interested shall be treated as a disclosure that the Board Member has that interest in any such transaction; and

89.2 an interest of which a Board Member has no knowledge and of which it is unreasonable to expect him or her to have knowledge shall not be treated as an interest of his or hers.

- 90 No Board Member, co-optee or member of a committee or officer shall have any financial interest personally; or as a member of a firm; or as a director or other officer of a business trading for profit; or in any other way whatsoever in any contract or other transaction with the Company, unless it is expressly permitted by any of these Articles or under the Housing Act 1996 or any determination by the Corporation. A Board Member shall be treated as having a financial interest (as above) in any transaction in which a close relative has such an interest.

- 91 Any Board Member, co-optee or member of a committee having an interest in any arrangement between the Company and someone else shall disclose their interest, before the matter is discussed by the Board or any committee. Unless it is expressly permitted by these Articles they shall not remain present unless requested to do so by the Board or committee, and they shall not have any vote on the matter in question. Any decision of the Board or of a committee shall not be invalid because of the subsequent discovery of an interest which should have been declared.
- 92 Every Board Member, co-optee and member of a committee shall ensure that the Secretary at all times has a list of
- 92.1 all other bodies in which they have an interest as:
- 92.1.1 a director or officer;
- 92.1.2 a member of a firm;
- 92.1.3 an official or elected member of any statutory body; or
- 92.1.4 the owner or controller of more than two per cent of the shares of a company the shares in which are publicly quoted or more than ten per cent of the shares of any other company;
- 92.2 the occupier of any property owned or managed by the Company; or
- 92.3 any other significant or material interest
- which in each case would or could affect any arrangement with the Company.
- 93 If requested by a majority of the Board or members of a committee at a meeting convened specially for the purpose, a Board Member, co-optee or member of a committee failing to disclose an interest as required by these Articles shall vacate their office either permanently or for a period of time as specified by the Board.
- 94 94.1 For the purpose of these Articles, a Board Member, co-optee or member of a committee who is a Service User shall not be treated as having an interest in any decision affecting all or a group of Service Users.
- 94.2 The grant of a tenancy, licence or right of occupation or provision of a service by the Company at the direction of another body to a Board Member, co-optee or member of a committee (as a Service User) is not the grant of a benefit for the purpose of these Articles.
- 95 A Board Member, co-optee or member of a committee shall not be treated as having an interest for the purpose of these Articles as a board member, director or officer of any other body whose accounts are or ought to be consolidated with the Company's accounts save in the event of actual disagreement or conflict between the Company and such body.

## **PROCEEDINGS OF THE BOARD**

### **Board meetings**

- 96 Subject to the provisions of these Articles, the Board may regulate its proceedings as it thinks fit.
- 97 The Board shall meet at least two times every calendar year. At least seven days' written notice of the date and place of every Board meeting shall be given by the secretary to all Board members and co-optees.
- 98 Meetings of the Board may be called by the secretary, or by the Chair, or by two Board members who give written notice (which may be by electronic means) to the secretary specifying the business to be carried out. The secretary shall send a written notice (which may be by electronic means) to all Board Members and co-optees to the Board as soon as possible after receipt of such a request. The secretary shall call a meeting on at least seven but not more than twenty one days' notice to discuss the specified business. If the secretary fails to call such a meeting then the Chair or two Board Members, whichever is the case, shall call such a meeting. Any such notice or communication sent by post shall be deemed to have arrived two days after being sent and any sent by electronic means shall be deemed to have been served when received, provided it is legible.
- 99 Questions arising at a Board meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chair shall have a second or casting vote.

### **Board Quorum**

- 100 Six board members or half of the Board (whichever is lower) shall form a quorum. The board may determine a higher number or impose additional requirements.
- 101 If a quorum is not present within half an hour from the time appointed for a Board meeting then the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time as the Chair may determine. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting then notwithstanding Article 100 the Board Members present shall constitute a quorum.
- 102 If the number of Board Members falls below the number necessary for a quorum, the remaining Board Members may continue to act as the Board for a maximum period of six months. At the end of that time the only power that the Board may exercise shall be to call a general meeting of the Company to bring the number of Board Members up to that required by these Articles.



## **Chair**

- 103 The Board Members may appoint one of their number to be the Chair of the Board and may from time to time remove him or her from that office. Unless he or she is willing to do so the Board Member so appointed shall preside at every Board meeting at which he or she is present. The Board Members may also appoint a deputy chair who shall, in the absence of the Chair, chair Board meetings.
- 104 The Chair and deputy chair on election shall each hold office until the commencement of the first Board meeting after the next annual general meeting of the Company after his or her appointment (or until the Chair or deputy chair resigns or is removed as Chair or deputy chair as the case may be). The first item of business for any Board meeting when there is no Chair or deputy chair present, shall be to elect the Chair for the purpose of that meeting. The Chair or deputy chair of the Company may be removed at a Board meeting called for the purpose provided the resolution is passed by at least two thirds of the Board Members present at the meeting.
- 105 If there is no Board Member holding the office of Chair or deputy chair, or if each Board Member holding it is unwilling to preside or is not present within five minutes after the time for the appointed meeting the Board Members present may appoint one of their number to be Chair of the meeting.

## **The Chair's Responsibilities**

- 106 The Chair shall seek to ensure that:
- 106.1 the Board's business and the Company's general meetings are conducted efficiently;
  - 106.2 all Board Members are given the opportunity to express their views; and
  - 106.3 a constructive working relationship is established with, and support provided for, the chief executive.

## **Validity of Board Actions**

- 107 All acts done by a meeting of the Board, or of a committee of the Board, or by a person acting as a Board Member shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any Board Member or that any of them was disqualified from holding office, or had vacated office, or was not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Board Member and had been entitled to vote.
- 108 A certificate by an officer that a power has been properly exercised shall be conclusive as between the Company and any third party acting in good faith.

## **Written Resolutions**

- 109 A resolution in writing which has been sent to all of the Board Members or members of a committee who are entitled to receive notice of a meeting of the Board or of that committee and signed by at least three quarters of them shall be as valid and effective as if it had been passed at a meeting of the Board or (as the case may be) a committee of the Board duly convened and held. A written Board or committee resolution may consist of several documents in the like form each signed by one or more Board Members or committee members.

## **Meetings by telephone etc**

- 110 A Board Member shall be treated as present in person at a meeting of the Board (or of a committee of the Board) if he or she is in communication with the meeting by conference telephone or other communication equipment permitting those attending the meeting to hear one another. Such Board Member shall be counted in the quorum of the meeting and shall be entitled to vote at it. A meeting to which this regulation applies shall be deemed to take place where the majority of those participating is assembled or, if there is no majority, at the place where the Chair of the meeting is present.

## **Borrowing etc**

- 111 The total borrowings of the Company at any time shall not exceed £50,000,000 (fifty million pounds sterling) or such a larger sum as the Company determines from time to time in general meeting.
- 112 The rate of interest payable at the time terms of borrowing are agreed on any money borrowed shall not exceed the rate of interest which, in the opinion of the Board, is reasonable having regard to the terms of the loan. The Board may delegate the determination of the said interest rate within specified limits to an officer, board member or a committee.
- 113 113.1 In respect of any proposed borrowing, for the purposes of Article 111, in relation to the amount remaining undischarged of any deferred interest or index-linked monies or amounts on any deep discounted security previously borrowed by the Company the amount of borrowing shall be deemed to be the amount required to repay such borrowing in full if such pre-existing borrowing became repayable in full at the time of the proposed borrowing.
- 113.2 For the purposes of Article 111 in respect of any proposed borrowing intended to be on deferred interest or index-linked terms or on any deep discounted security the amount of borrowing shall be deemed to be the proceeds of such proposed borrowing receivable by the Company at the time of the proposed borrowing.
- 113.3 No person dealing in good faith shall be concerned to know whether Article 111 or 112 or this Article 113 have been complied with.

114 114.1 The Company shall have the power to enter into and perform a rate cap transaction, or series of rate cap transactions, where the Board (or a duly authorised committee) considers entry by the Company into such transaction(s) to be in the best interest of the Company, provided that:

(i) at the time of entry into any such transaction(s) the sum of the calculation amount of any rate cap transaction previously entered into and remaining in effect and the calculation amount of the proposed rate cap transaction(s) shall not exceed the lower of:

- £50,000,000; or
- the aggregate amount of the Company's variable rate borrowings then drawn down plus the amount of any existing contractually committed loan facilities not yet drawn down in respect of amounts which the Company intends at the effective date when drawn will become variable rate borrowings, and

(ii) the counterparty to each rate cap transaction is the floating rate payer.

114.2 Prior to exercising its power under Article 114.1 the Company shall obtain and consider proper advice on the question of whether the rate cap transaction is satisfactory having regard to:

- (i) the possible fluctuations in the rate of interest payable by the Company under its variable rate borrowings during the term of the rate cap transaction(s);
- (ii) the Company's ability to meet its payment obligations under the variable rate borrowings during the term of the rate cap transaction(s) if that transaction was not entered into;
- (iii) the payment obligations under the rate cap transaction(s); and
- (iv) the Company's actual and projected annual income and expenditure position.

114.3 For the purposes of this Article 114 proper advice is the advice of a person who is reasonably believed by the Board to be qualified by their ability in and practical experience of financial matters and the appropriate rate cap transaction, and is properly authorised under the provisions of the Financial Services Act 1986. Such advice may be given by a person notwithstanding that they give it in the course of their employment as an officer.

114.4 A person entering into a rate-cap transaction as floating rate payer, with the Company who has received a written certificate signed by the secretary or an officer authorised by the Board confirming the Company's compliance with this Article 114 shall not be concerned to enquire further whether or not the Company

has complied with the provisions of this Article 114 and such transaction shall be valid at the date that it is entered into and throughout its term in favour of such person (or any assignee or successor in title) whether or not the provisions of this Article 114 have been complied with.

114.5 For the purposes of this Article 114:

- (a) “calculation amount” “effective date” “floating rate payer” “term” and “termination date” have the respective meanings given in the 1991 ISDA Definitions as amended from time to time;
- (b) “variable rate borrowing” means any borrowing by the Company in respect of which the rate of interest has not been fixed for a term in excess of twelve months and the term “fixed” shall exclude any borrowing where the rate of interest is indexed in accordance with a retail prices index or other published index; and
- (c) “rate cap transaction” means a cap transaction within the meaning of “swap transaction” as defined in the 1991 ISDA Definitions as amended from time to time.

## **SECRETARY**

115 Subject to the provisions of the Companies Acts, the Secretary shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit. Any Secretary so appointed may be removed by the Board. The Secretary may be a Board Member or an employee or an independent contractor. The Board may appoint one or more alternate, joint, assistant or deputy secretaries to act in the absence of the Secretary. Any such alternate joint, assistant or deputy secretary shall (in such absence) have all powers vested in the Secretary by these Articles and the law. The Secretary shall in particular

115.1 summon and attend all meetings of the Company and the Board and keep the minutes of those meetings; and

115.2 keep the registers and other books determined by the Board; and

115.3 make any returns on behalf of the Company to the Registrar of Companies and the Corporation; and

115.4 have charge of the seal of the Company; and

115.5 ensure the compliance by the Company with its Memorandum and these Articles of Association.

## **OTHER OFFICERS**

- 116 For the purposes of the Housing Act 1996 any member of the Board or of a committee including any co-optee shall be an officer.
- 117 The Board may designate as an officer to act on behalf of the Company such other executive or employee of the Company on such terms (including pay) as it sees fit.
- 118 The Board may designate Board Members to the named offices of treasurer or any other offices on such terms as it sees fit.

## **MINUTES**

- 119 The Board shall cause minutes to be made in books kept for the purpose
- 119.1 of all appointments of officers made by the Board; and
- 119.2 of all proceedings at meetings of the Company, and of the Board, and of committees of the Board, including the names of the Board Members present at each such meeting.

## **THE SEAL**

- 120 The Secretary shall keep the seal. It shall not be used except under the Board's authority. It must be affixed by one Board Member signing and the Secretary countersigning or in such other way as the Board resolves. The Company shall also have for use for sealing securities issued by the Company and the sealing of documents creating or evidencing securities, an official seal which is a facsimile of the Company's common seal with the addition on its face, of the word "securities" and any document to which the official seal is affixed need not be signed by any person.

## **ACCOUNTS ETC**

- 121 The Board shall cause accounting records, registers and Minutes to be kept and accounts and annual returns prepared in accordance with the requirements of the Companies Acts.

## **NOTICES**

- 122 Any notice to be given to or by any person pursuant to the Articles shall be in writing.
- 123 The Company may serve any notice or other document on a Shareholder either personally or by sending it by post in a prepaid envelope addressed to the Shareholder at his registered address or by leaving it at that address or by sending it by electronic means to a number

notified by the Shareholder, or by any other means which have been authorised in writing by the Shareholder concerned.

- 124 A Shareholder present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 125 Proof that an envelope containing a notice or other document was properly addressed, prepaid and posted shall be conclusive evidence that the same was served. Any such notice or other document, if sent by first-class post, shall be deemed to have been served or delivered 48 hours after the same was put in the post. In proving such service or delivery it shall be sufficient to prove that the notice or document was properly addressed, stamped and put in the post. Any such notice or other document if sent by electronic means shall be deemed to have been served when received provided that it is legible.
- 126 In the Articles "writing" shall be deemed to include photocopy, telex, facsimile, telegram, electronic mail and other methods of reproducing or communicating writing in visible form, and "electronic means" includes telex, facsimile and telegram.
- 127 Any notice to be given by or on behalf of the Conference for the purpose of these Articles shall be accompanied by such evidence as the Board may require that such notice is authentic and has been duly authorised.

## INDEMNITY

- 128 Subject to the Companies Acts and except for the consequences of their own dishonesty or gross negligence no Board Member, officer or employee shall be liable for any losses suffered by the Company.
- 129 Subject to the provisions of the Companies Acts every Board Member, officer or employee shall be indemnified by the Company for any amount reasonably incurred in the discharge of their duty.
- 130 Subject to the provisions of the Companies Acts, the Company may purchase and maintain for every Board Member, Secretary or other officer of the Company insurance against any liability which would otherwise attach to him or her in respect of any negligence, default, breach of duty or breach of trust of which he or she may be guilty in relation to the Company.
- 131 Whether or not any insurance as mentioned in Article 130 is effected, every such person shall be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him or her in the execution and discharge of his or her duties (or in relation thereto) (including any liability incurred by him in defending any proceedings, civil or criminal) that relate to anything done or omitted or alleged to have been done or omitted by him or her as an officer or employee of the Company and

- 131.1 in which judgment is given in his or her favour (or the proceedings otherwise disposed of without any finding or admission of any material breach of duty on his or her part) or
- 131.2 in which he or she is acquitted or
- 131.3 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 by the Court.

Names and address of Subscribers

1. S. R. Houldle

[Church Shareholder]

SUSAN HOULDLE  
1 ST CATHERINE'S WALK  
GLEDHSLAW LANE  
LEEDS

2. For and on behalf of

[Church Shareholder]

OWEN BAKER  
14 STICKS PARK DR.  
HORNWICH  
BOLTON

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Dated [ 13/7/2020

Witness to the above Signatures:

ROGER DAVIES  
9 THE FARMHouses  
CLIFTON  
ASTHOUNE