

**The Conservative Party Foundation Limited (a company limited by guarantee)**

Company number: 05289086

(the Company)

Passed: 15<sup>th</sup> May 2019

At a general meeting of the Company duly convened and held at JCB London Offices, 3 Deanery Street, London W1K 1AX on Wednesday 15<sup>th</sup> May 2019 the following resolution was duly passed as a special resolution.

**1 Special Resolution**

"To adopt, with effect from the conclusion of the meeting, the draft articles of association produced to the meeting and, for the purposes of identification, initialled by the Chairman, as the articles of association of the Company in substitution for and to the entire exclusion of the Company's existing articles of association."



.....  
For and on behalf of  
T&H Secretarial Services Ltd  
Secretary

Date: 24<sup>th</sup> May 2019

SATURDAY



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25/05/2019

#147

COMPANIES HOUSE

Company number: 05289086

**A**

**COMPANY LIMITED BY GUARANTEE  
AND NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION OF  
THE CONSERVATIVE PARTY FOUNDATION LIMITED**

**Adopted by resolution, dated [ 15<sup>th</sup> May ] 2019**

**By Order of the Board**

## **SECTION A:**

- 1 The Company's name is THE CONSERVATIVE PARTY FOUNDATION LIMITED.
- 2 The Company's registered office is to be situated in England and Wales.
- 3 The Company's objects (the '**Objects**') are:-
  - 3.1 To secure the long-term financial stability and future of the Conservative Party by:-
    - 3.1.1 raising money for the establishment of a fund for the benefit of the Conservative Party; and
    - 3.1.2 managing and investing the Fund with the object of generating income from and / or capital growth of the Fund; and
    - 3.1.3 making donations from the Fund to and for the benefit of the Conservative Party, in such amounts (if any) as the Board shall in their discretion think fit, subject to the rules or bye laws made by the Company in accordance with these Articles of Association of the Company; PROVIDED that:
      - (a) the Company shall donate no more than 30% of the capital value of the Fund in any one Electoral Period and if the Electoral Period is less than five years then the maximum amount to be donated to the Conservative Party shall be pro rated accordingly; and
      - (b) for these purposes, the capital value of the Fund shall be deemed to be the lower of:
        - i the average annual capital value of the Fund across the Electoral Period; and
        - ii the capital value of the Fund at the time of the proposed donation.
- 4 In furtherance of the Objects and so far as lawful to do so but not further or otherwise the Company shall have the following powers:-
  - 4.1 To carry on any business which seems to the Company to be capable of being conveniently carried on in connection with the Objects.
  - 4.2 Subject to such consents as may be required by law and regulation, to borrow and raise money for the furtherance of the Objects of the Company in such manner and on such security as the Company may think fit.
  - 4.3 Subject to compliance with all relevant laws and regulations, to raise funds and to invite and receive contributions from any persons or institutions whatsoever by way of subscription, donation or otherwise; PROVIDED that this shall be without prejudice to the ability of the Company to disclaim any gift, legacy or bequest in whole or in part in such circumstances as the Company may think fit.
  - 4.4 To undertake any fund-raising activities as the Company may see fit in order to raise funds for the Objects and to establish separate funds with (different investment objectives) for the

purposes of benefiting the different constituent organisations that comprise the Conservative Party.

- 4.5 To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, warrants, and other negotiable, transferable, or mercantile instruments.
- 4.6 To subscribe for either absolutely or conditionally or otherwise acquire and hold shares, stocks, debentures, debenture stock or other securities or obligations of any other company.
- 4.7 To invest the moneys of the Company not immediately required for the furtherance of its Objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and regulation.
- 4.8 To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges and to construct, maintain and alter any buildings or erections which the Company may think necessary for the promotion of its Objects.
- 4.9 Subject to such consents as may be required by law and regulation, to sell, let, mortgage, dispose of or turn to account all or any of the property or assets of the Company with a view to the furtherance of its Objects.
- 4.10 Subject to Article 5 of Section A of these Articles hereof to employ and pay such persons (whether as employees consultants or advisors) as are necessary for the furtherance of the Objects.
- 4.11 To make all reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees and their widows and other dependants.
- 4.12 To enter into any arrangement with any government or other authority, international, supreme, municipal, local or otherwise, and to obtain from any such government or authority any rights, concessions and privileges which the Company may consider conducive to the Company's Objects or any of them.
- 4.13 To take all necessary and proper steps in Parliament or with any government or authority, international, supreme, municipal, local or otherwise for the purposes and powers of the Company and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company and/or the Conservative Party's interests.
- 4.14 To provide indemnity insurance to cover the liability of the Board (or any of them) which by virtue of any rule of law and regulation would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Company; PROVIDED that any such insurance shall not extend to any claim arising from any act or omission which the Board (or any of them) knew to be a breach of trust or breach of duty or which was committed by the Board (or any of them) in reckless disregard of whether it was a breach of trust or breach of duty or not.
- 4.15 To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company.
- 4.16 To do all such other lawful things as are necessary or desirable for the attainment of the Objects or any of them.

- 5 The income and property of the Company shall be applied solely towards the promotion of its Objects and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the Members and/or to members of the Board and no member of its Board shall be appointed to any office of the Company paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Company.

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

- 5.1 of reasonable and proper remuneration to any officer or employee of the Company (not being a member of its Board) for any services rendered to the Company;
- 5.2 of reasonable and proper rent for premises demised or let by any Member and/or member of the Board;
- 5.3 of fees, remuneration or other benefit in money or money's worth to any company of which a member of the Board may also be a member of that company who has not declared his interest to the Board; and
- 5.4 to any member of its Board of reasonable out-of-pocket expenses;
- 5.5 to any Member or to any member of its Board who is a solicitor, accountant or other person engaged in any profession of all usual and reasonable professional charges for work done by such Member and/or Director or his or her firm on behalf of the Company when instructed to act in that capacity by the Board; and
- 5.6 of any premium in respect of any such indemnity insurance as is permitted by Article 4.14 of Section A of these Articles.
- 6 The liability of the Members is limited.
- 7 Every Member undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound-up while he is a Member, or within one year after he ceases to be a Member, for payment of the Company's debts and liabilities contracted before he ceases to be a Member, and of the costs, charges and expenses of winding-up, and for the adjustment of the rights of the contributories among themselves.
- 8 If upon the winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the Members, but shall be given or transferred to the Conservative Party.
- 9 If for any reason the Conservative Party ceases to exist or it becomes unlawful for the Company to make donations or otherwise transfer property to the Conservative Party then, if lawful to do so, such property shall be given or transferred to such other political organisation as has similar political views and objectives of the Conservative Party as the Board shall agree and if the Board cannot find any such political organisation, then property of the Company shall be given or transferred to such person(s) or organisation(s) as the Board in their absolute discretion consider fit.
- 10 Words and expressions defined in Section B of these Articles have the same meanings in Section A of these Articles and ***vice versa***.

## **SECTION B:**

### **INTERPRETATION**

1 The Model Articles for Private Companies Limited by Guarantee ("**Model Articles**") shall apply to the Company save in so far as they are excluded or varied hereby and such Model Articles (save as so excluded or varied) together with the Articles set out in Section A and the following Articles of Section B hereof shall be the articles of association of the Company. References to these or the "Articles" shall be to those articles of association of the Company, as amended from time to time together with such regulations of Model Articles as apply to the Company and "Article" shall mean any one of them .

2 In these Articles of the Company

**"2006 Act"** means the Companies Act, 2006 but so that any reference to any provision of the 2006 Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

**"Act"** means the 2006 Act.

**"Board"** means the board of directors of the Company.

**"Company"** means The Conservative Party Foundation Limited.

**"Connected Persons"** means persons who are connected to each other and for these purposes any question whether a person is connected with another shall be determined in accordance with sections 1122 and 1123 Corporation Tax Act 2010, as amended, and a company shall be deemed to be connected if it is associated with any person and whether a company is associated with any person shall be determined in accordance with sections 449-454 and 253 Corporation Tax Act 2010, as amended.

**"Conservative Party"** means the political party registered with the Electoral Commission in the United Kingdom under the name "The Conservative and Unionist Party" and its successors from time to time by whatever name called.

**"Directors"** shall be the directors of the Company.

**"Electoral Commission"** means the Electoral Commission of the United Kingdom, as appointed by the United Kingdom Parliament or such other body or bodies as shall from time to time replace or perform the powers of the Electoral Commission as set out in the Political Parties Elections and Referendums Act 2000.

**"Fund"** means the period end value of the Members' equity funds: Accumulated reserves as per the audited Report and Financial Statements of the Company.

**"Electoral Period"** means the period from the final announcement of the results of a Parliamentary General Election in the United Kingdom until the close of voting in the following Parliamentary General Election.

**"Independent Directors"** mean those persons who are appointed Directors in accordance with Article 31.

**"Leader"** means the person who is the leader for the time being of the Conservative Party.

**"Member"** means such person as is accepted as a member of the Company pursuant to Article 4 of Section B of these Articles and who guarantees the liabilities of the Company in accordance with Article 4 of Section B of these Articles.

**"Nominated Directors"** mean those persons who are appointed Directors in accordance with Article 30 of Section B of these Articles.

**"Objects"** means the objects of the Company, as set out in Article 3.1 of Section A of these Articles,

**"Parliamentary General Election"** means a general election of all or virtually all of the members of the House of Commons of the United Kingdom Parliament following a dissolution or expiry of Parliament.

**"Seal"** means the common seal of the Company.

**"Secretary"** means any person who may be appointed to perform the duties of the secretary of the Company.

**"United Kingdom"** means Great Britain and Northern Ireland.

Expressions referring to writing shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form including without limitation, e-mail.

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Acts or any statutory modification or re-enactment thereof for the time being in force.

## **OBJECTS**

- 3 The Company is established for the Objects (as expressed in Article 3.1 of Section A of these Articles). Neither Section A nor Section B of these Articles shall be altered without a resolution of the Company passed by a majority of not less than 90% of the full membership of the Company.

## **THE MEMBERS**

- 4 The subscribers to the Articles and such other persons as are admitted to membership in accordance with these Articles shall be Members of the Company. Every person who wishes to become a Member shall deliver to the Company an application for membership in such form as the Board shall require. Any application for membership shall, in any event, include a written agreement to: (1) guarantee the obligations of the Company to the value of one pound; and (2) at all times whilst a Member of the Company, become and/or continue to be a member of the Conservative Party and not be or become a member of any other political party in the United Kingdom. An application for membership of the Company shall also be accompanied by a written confirmation, in such form as the Board may require, from such number of Members as equals for the time being at least 25% of all of the Members of the Company (rounded upwards to the nearest whole number) confirming that each such Member supports the application for membership of the Company.

- 5 The Board shall use reasonable endeavours to ensure that at all times there shall be (1) at least 11 Members, each of whom shall not be Connected Persons and (2) that the majority in number of the Members shall also not be Directors. If at any time the Company has less than 11 Members, the Board shall forthwith notify every Director and the Leader in writing of such fact.
- 6 The Board may in their absolute discretion decline to approve any person as a Member and need not give reasons for so doing. The Board may from time to time prescribe criteria for membership but shall not, by so doing, become obliged to approve persons fulfilling those criteria who may apply to become Members nor shall any existing Member be obliged to resign because they do not fulfil such criteria.
- 7 Membership of the Company shall not be transferable and shall cease on death. A Member shall also cease to be a Member:-
- 7.1 On the expiry of at least fourteen days' notice given by the Member to the Company of his or her intention to withdraw;
- 7.2 If the Member becomes bankrupt or makes any arrangement or composition with his or her creditors generally;
- 7.3 If, at a meeting of the Members at which not less than half of the Members are present, a resolution is proposed and duly passed that the Member be expelled. Such a resolution shall not be passed unless:
- 7.3.1 the Member has been given not less than twenty-one days notice of the fact that the resolution is to be proposed, specifying the circumstances justifying the expulsion, and has been afforded a reasonable opportunity of being heard by or of making written representations to all of the Members; and
- 7.3.2 75% or more of the Members present vote in favour.
- If such a resolution referred to in this Article 7.3 is passed, then the Member shall forthwith cease to be a Member.
- 7.4 If the Member ceases to be a member of the Conservative Party and/or becomes a member of another political party in the United Kingdom.
- 7.5 If the Member is convicted of an offence of dishonesty or any other criminal offence in respect of which a custodial sentence is imposed;
- 7.6 If that Member is also a Nominated Director and ceases to be a Nominated Director.

#### **GENERAL MEETINGS**

- 8 The Company shall hold at least one General Meeting in every period of two calendar years starting with the period commencing on 1 January 2019 to 31 December 2020.
- 9 The Board may, whenever they think fit, convene a general meeting of Members.
- 10 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.



## PROCEEDINGS AT GENERAL MEETINGS

- 11 No business shall be transacted at any general meeting unless a quorum of the Members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, more than half of the total membership of the Company present in person or by proxy shall be a quorum. If within half an hour from the time appointed for the meeting a quorum is not present, 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 and place as the Board may determine.
- 12 The chairman, if any, of the Board shall preside as chairman at every general meeting of the Company, or if there is no such chairman, or if he shall not be present within fifteen minutes after the time appointed for the holding of the meeting or is unwilling to act the Members present shall elect one of their number to be chairman of the meeting.
- 13 The chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left *unfinished at the meeting from which the adjournment took place.*
- 14 When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 15 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:-
- 15.1 by the chairman; or
- 15.2 by at least two Members of the Company present in person or by proxy
- 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 particular majority, or lost and an entry to that effect in the book containing the minutes of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- The demand for a poll may be withdrawn.
- 16 Except as provided in Article 18 of Section B of these Articles, if a poll is duly demanded it shall be taken in such manner as the chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 17 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall not be entitled to a second or casting vote.
- 18 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 of the meeting directs, and any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

- 19 The proceedings of any meeting or on the taking of any poll shall not be invalidated by reason of any accidental informality or irregularity in the convening thereof or otherwise or any want of qualification in any person present or voting thereat.
- 20 Any Member of the Company entitled to attend and vote at a general meeting shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of him and any proxy so appointed shall have the same right as the member to speak at the meeting. On a show of hands and on a poll, votes may be given either personally or by proxy.
- 21 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. A proxy need not be a Member.
- 22 The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company or at such other place within the United Kingdom as is specified for that purpose in the notice convening the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- 23 An instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances permit:

The Conservative Party Foundation Limited
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(A company limited by guarantee)

(the "Company")

I                      of                      in the County of                      being a member of the

Company, hereby appoint                      of                      or failing him                      of

                    as my/our proxy to vote for me/us on my/our behalf at the General

Meeting of the Company to be held on the day of                      , and at any

adjournment thereof.

.....

Signed this day of

24                      Where it is desired to afford Members of the Company an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances permit:-

The Conservative Party Foundation Limited

(A company limited by guarantee)

(the "Company")

I                      of                      in the County of                      being a member of the

Company, hereby appoint                      of                      or failing him                      of

                    as my/our proxy to vote for me/us on my/our behalf at the General

Meeting of the Company to be held on the day of                      , and at

any adjournment thereof.

.....

Signed this                      day of

Unless otherwise instructed, the proxy will vote as he thinks fit.

This form is to be used (in favour of / against) the  
resolution.

25            The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

26            A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no intimation in writing of such death, insanity or revocation as aforesaid shall have been received by the Company at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### **THE BOARD**

27            As at the date of adoption of these Articles, the Board shall consist of 9 Directors, 5 of whom shall be Nominated Directors and 4 of whom shall be Independent Directors; PROVIDED ALWAYS that the aggregate number of Nominated Directors shall always comprise a majority of one (with the remaining Directors being Independent Directors); PROVIDED FURTHER THAT if, at any time, the number of Nominated Directors falls below a majority in number of the Board and the Leader has not nominated a replacement (or replacements) the remaining Nominated Director(s) shall nominate (and the Board shall appoint) such persons to be additional Nominated Director(s) who shall continue in office until such time as the Leader has approved the appointment of that person as a Nominated Director or appointed a replacement following his removal of that person.

28            Subject to Article 3 of Section B of these Articles, the Company may from time to time increase or reduce the number of members of the Board; PROVIDED ALWAYS that the aggregate number of Directors shall be an odd number and the aggregate number of Nominated Directors shall always comprise a majority of one out of the aggregate number of Directors (with the remaining Directors being Independent Directors); PROVIDED FURTHER that members of the Board shall not at the same time constitute a majority in number of the Members of the Company.

29            The Directors shall be either Nominated Directors or Independent Directors. Any Director who is not a Nominated Director shall be an Independent Director.

30            The Leader shall be entitled at any time and from time to time by notice in writing to the Company to appoint any person as a Nominated Director;

(PROVIDED THAT any such appointment does not cause the number of Nominated Directors to exceed the maximum number of Nominated Directors fixed by or in accordance with these Articles as at such time) and/or remove any Nominated Director; PROVIDED

THAT, prior to any such appointment or removal, the Leader shall consult the Board about such proposed appointment or removal at a meeting of the Board specially convened for the purpose. Following such meeting of the Board, every such appointment or removal of a Nominated Director shall then be effected by notice in writing and signed by the Leader. Such notice shall take effect immediately (or on such later date, if any specified in the notice) upon deposit of the notice at the registered office of the Company marked for the attention of the Board.

31 The Independent Directors shall be entitled at any time and from time to time (as agreed between themselves and in default of agreement, by the chairman for the time being of the Company, so long as he or she is an Independent Director and if not, by agreement of the Company in general meeting) by notice in writing to the Company to appoint such number of Directors, being no more than one fewer than the aggregate number of Nominated Directors, or request the removal of anyone of them and the appointment of another person in his or her place. Every such appointment or removal of an Independent Director shall be effected by notice in writing and signed on behalf of the Independent Directors. Such notice may be in the form of a facsimile or other machine-made copy and shall take effect immediately (or on such later date, if any, specified in the notice) upon deposit of the notice at the registered office of the Company marked for the attention of the Board.

32 The members of the Board shall be paid all reasonable out of pocket expenses incurred by them in attending and returning from meetings of the Board or any committee of the Board or general meeting of the Company or in connection with the business of the Company.

#### **BORROWING POWERS**

33 The Board may in furtherance of the Objects but not otherwise exercise all the powers of the Company to borrow money, 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 Company, subject to such consents as may be required by law.

#### **POWERS AND DUTIES OF THE BOARD**

34 The business of the Company shall be managed by the Board, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not, by the Acts or by these Articles, required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Acts or these Articles and to such regulations, being not inconsistent with the aforesaid provisions, as may be prescribed by the Company in general meeting; but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

35 Except and to the extent permitted by Article 4 of Section A of these Articles subject to Article 32 of Section B of these Articles, no member of the Board shall directly or indirectly derive any material benefit from the Company.

36 In carrying out the Objects the Board may consult such bodies or individuals as they think fit in order to advise the Board of Directors on any matters relevant to the Objects.

37 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted,

endorsed or otherwise executed, as the case may be, by not less than two persons authorised by resolution of the Board from time to time.

38 Any bank account in which any part of the assets of the Company is deposited shall be operated by the Board and shall indicate the name of the Company.

39 The Board shall cause minutes to be made in books provided for the purpose:-

39.1 of all appointments of officers made by the Board;

39.2 of the names of the members of the Board present at each meeting of the Board and of any committee of the Board; and

39.3 of all resolutions and proceedings at all meetings of the Company, and of the Board and of committees of the Board.

40 Without prejudice to the obligation of any Director to disclose his interest in accordance with the Acts or the provisions of these Articles, in respect of any matter in which a Director is in any way interested, he may nevertheless vote and be taken into account for the purposes of a quorum. Article 14 of the Model Articles shall be modified accordingly.

#### **DISQUALIFICATION OF MEMBERS OF THE BOARD**

41 The office of member of the Board shall be vacated if a Director: -

41.1 becomes bankrupt or makes any arrangement or composition with his creditors generally; or

41.2 becomes incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs; or

41.3 resigns his office by notice in writing to the Company; or

41.4 shall for more than six consecutive months have been absent without the permission of the Board from meetings of the Board held during that period and the Board resolves that his or her office should be vacated; or

41.5 ceases to be a member of the Conservative Party or is or becomes a member of any political party in the United Kingdom other than the Conservative Party; or

41.6 is removed by a resolution of the Board which is passed by 75% or more of the Directors who are present at a meeting which is attended by at least 50% of the Directors;

41.7 the Director is a Nominated Director; and

41.7.1 that person has served as a Director for a period of eight consecutive years; or

41.7.2 is removed from office and/or another person is appointed in his or her place in accordance with Article 30 of Section B of these Articles;

41.8 The Director is an Independent Director and another person is appointed in his or her place in accordance with Article 31 of Section B of these Articles;

41.9 The Director is convicted of an offence of dishonesty or any other criminal offence in respect of which a custodial sentence is imposed.

42 If any Director vacates the position of Director by virtue of his or her removal by a resolution of the Members of the Company under Article 47 of Section B of these Articles or by the Board under Article 41.6 of Section B of these Articles, such person cannot be re-appointed as a Director without the consent of the majority of the Members (where a Director is removed under Article 47 of Section B of these Articles) or the Directors (where a Director is removed under Article 41.6 of Section B of these Articles).

43 If a Nominated Director is removed under Article 47 or 41.6 (as the case may be) of Section B of these Articles the Company shall, as soon as reasonably practicable and in any event within 14 days of such removal, notify the Leader in writing of such removal.

#### **ROTATION OF MEMBERS OF THE BOARD**

44 The Directors are not subject to retirement by rotation.

#### **APPOINTMENT AND REMOVAL OF DIRECTORS**

##### ***By the Board***

45 Subject to Article 46 of Section B of these Articles, the Board shall have power at any time, and from time to time, to appoint any person to be a member of the Board, either to fill a casual vacancy or as an addition to the existing members of the Board. If the appointment is to fill a casual vacancy, then, subject to the following provisions of this Article 45, a Nominated Director shall be appointed, if the vacancy was caused by the retirement or removal of a Nominated Director, or an Independent Director shall be appointed, if the vacancy was caused by the retirement or removal of an Independent Director. If the appointment is made in addition to the existing members of the Board, then the Board shall make an additional corresponding appointment so as to ensure that, at all times, the Nominated Directors are in a majority of no more than one member of the Board; PROVIDED ALWAYS that the provisions of this Article 45 shall not apply if, as a result^ the total number of members of the Board shall at any time exceed any maximum number fixed in accordance with these Articles.

46 If the person to be appointed under Articles 45 and 48 of Section B of these Articles is to be a Nominated Director, then his or her appointment shall be subject to the consent of the Leader and if the person to be appointed under Articles 45 and 48 of Section B of these Articles is to be an Independent Director, then his or her appointment shall be subject to the agreement of the Independent Directors (and in default of agreement, the chairman for the time being of the Company, so long as he or she is an Independent Director and if not, by agreement of the Company in general meeting).

##### ***By the Company***

47 The Company may by ordinary resolution, of which special notice has been given in accordance with Section 312 of the 2006 Act, remove any member of the Board before the expiration of his period of office, notwithstanding anything in these Articles or in any agreement between the Company and such member of the Board.

- 48 The Company may by ordinary resolution appoint another person in place of a Director removed from office and, without prejudice to the powers of the Board under Article 45 of Section B of these Articles, the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional member of the Board; PROVIDED ALWAYS that the provisions governing the appointment of Directors as set out in Article 45 and 46 of Section B of these Articles shall apply *mutatis mutandis* to any appointment of a Director made under this Article .

#### **PROCEEDINGS OF THE BOARD**

- 49 The Board may meet together for the despatch of business, adjourn, and otherwise regulate their meetings, as they think fit. Questions arising at any meeting shall be decided by a majority of votes.
- 50 In the case of an equality of votes the chairman shall not have a second or casting vote.
- 51 A member of the Board may, and the Secretary on the requisition of a member of the Board shall, at any time upon giving at least two days notice (or such lesser amount of notice as the Board shall agree) summon a meeting of the Board. It shall not be necessary to give notice of a meeting of the Board to any member of the Board for the time being absent from the United Kingdom.
- 52 The quorum necessary for the transaction of the business of the Board may be fixed by the Board of Directors, and unless so fixed shall be more than half of the number of members of the Board for the time being, whichever shall be the greater number; PROVIDED ALWAYS that there shall be at least one Independent Director and one Nominated Director present.
- 53 The continuing members of the Board may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the number fixed by or pursuant to the Articles of the Company as the necessary quorum of members of the Board, the continuing members or member of the Board may act for the purpose of increasing the number of members of the Board to that number, or of summoning a general meeting of the Company, but for no other purpose.
- 54 The Board, may appoint a chairman of all meetings of the Board and determine the period for which he is to hold office; but, if no such chairman is elected, or if at any meeting the chairman of the Board is not present within five minutes after the time appointed for holding the same, the members of the Board present may choose one of their number to be chairman of the meeting.
- 55 The Board may delegate any of their powers to committees consisting of such members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board and shall fully and promptly report all acts and proceedings to the Board as soon as is reasonably practicable PROVIDED THAT any committee shall always comprise a majority of Nominated Directors.
- 56 A committee may elect a chairman of its meetings; if no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the same, the members present may choose one of their number to be chairman of the meeting.



- 57 A committee may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the members of the committee present, and in the case of an equality of votes the chairman shall not have a second or casting vote.
- 58 All acts done by any meeting of the Board or of a committee of the Board or by any person acting as a member of the Board, shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such member of the Board or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Board of Directors.
- 59 A resolution in writing, signed by all the members of the Board for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.
- 60 A telephone conference or video conference call during which a quorum participates in the call shall be as valid as a meeting of the Board so long as all those participating can hear and speak to each other throughout the call and provided that due notice of such telephone conference or video conference has been given as would be required for notice of a meeting of the Board.

#### **SECRETARY**

- 61 Subject to the Acts, the Board may appoint a Secretary for such term, at such remuneration and upon such conditions as the Board may think fit; and any Secretary so appointed may be removed by it; PROVIDED ALWAYS that no member of the Board may occupy the salaried position of Secretary.
- 62 *A provision of the Acts or these Articles requiring or authorising a thing to be done by or to a member of the Board and the Secretary shall not be satisfied by its being done by or to the same person acting both as member of the Board and as, or in place of, the Secretary.*

#### **THE SEAL**

- 63 If the Company has a Seal the Board shall provide for its safe custody and it shall only be used by the authority of the Board or of a committee of the Board authorised by the Board in that behalf, and every instrument to which the Seal shall be affixed shall be signed by a member of the Board and shall be countersigned by the Secretary or by a second member of the Board or by some other person appointed by the Board for the purpose.

#### **ACCOUNTS**

- 64 The Board shall cause accounting records to be kept in accordance with the provisions of the 2006 Act.
- 65 The accounting records shall be kept at the registered office of the Company or, subject to the provisions of the 2006 Act, at such other place or places as the Board thinks fit, and shall always be open to the inspection of the officers of the Company during normal business hours.
- 66 A copy of every balance sheet (including every document required by law to be annexed thereto) together with a copy of the auditor's report (if any), and the Board's report, shall be sent to every member of the Board and every person entitled to receive notice of general

meetings of the Company and to the Leader and the secretary to the Board of the Conservative Party.

#### **AUDIT**

- 67 If required by the 2006 Act, auditors shall be appointed and their duties regulated in accordance with the provisions of the 2006 Act.

#### **NOTICES**

- 68 Any notice to be given to or by any person pursuant to the Articles shall be in writing except that a notice calling a meeting of the Board need not be in writing.
- 69 A notice may be given by the Company to any Member either personally or by e-mail or by sending it by post to him or to his registered address, or (if he has no registered address within the United Kingdom) to the address, if any, within the United Kingdom supplied by him to the Company for the giving of notice to him. Where a notice is given personally, service of notice shall be deemed to be effected when given, and where a notice is sent by e-mail, service of notice shall be deemed to be effected upon confirmation of it having been received, and where 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 24 hours after the letter containing the same is posted, and in any other case at the time at which the letter would be delivered in the ordinary course of post.
- 70 Notice of every general meeting shall be given in any manner hereinbefore authorised to>
- 70.1 each Member;
- 70.2 each member of the Board;
- 70.3 the auditors for the time being of the Company (if any); and
- 70.4 the Leader;
- 70.5 The Board of the Conservative Party.

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

#### **DISSOLUTION**

- 71 Article 7 of Section A of these Articles relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in this Section B.

#### **RULES OR BYE LAWS**

- 72 The Board shall ensure that the Company at all times complies with the provisions of the Political Parties, Elections and Referendums Act 2000 (as may be amended from time to time), the Electoral Administration Act 2006 and all other legislation, regulations and codes of practice relating to the funding of political parties and political donations from time to time. The Board shall be entitled to disclose to the Leader any information relating to the business and affairs of the Company as the Leader may request from time to time (including, without limitation, all such information as may be required to enable officials of the Conservative

Party to comply with their obligations under the provisions of the Political Parties, Elections and Referendums Act 2000 (as may be amended from time to time), the Electoral Administration Act 2006 and all other legislation, regulations and codes of practice relating to the funding of political parties and political donations from time to time.

- 73 The Board may make such rules or bye laws as it may deem necessary or expedient or convenient for the proper conduct and management of the Company and, in particular but without prejudice to the generality of the foregoing, it may by such rules or bye laws regulate;-
- 73.1 the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
- 73.2 the procedure at general meetings and meetings of the Board and Committees of the Board insofar as such procedure is not regulated by these Articles; and
- 73.3 the amount that may be donated from the Fund, at any particular time or times, to and for the benefit of the Conservative Party, within the limits set out in the Section A of these Articles; and
- 73.4 generally, all such matters as are commonly the subject matter of company rules.
- 74 The Company in general meeting shall have power to alter or repeal the rules or bye laws and to make additions thereto provided nevertheless that no rule or bye law shall be inconsistent with nor shall it affect or repeal anything contained in these Articles.

#### **INDEMNITY**

- 75 The Company shall indemnify any Director, alternate director, Secretary or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as an auditor) out of the assets of the Company from and against any loss, liability or expense incurred by him or them in relation to the Company PROVIDED THAT this Article shall have effect, and any indemnity provided by or pursuant to it shall apply, only to the extent permitted by, and subject to the restrictions of, the 2006 Act. This Article does not allow for or provide (to any extent) an indemnity which is more extensive than as permitted by the 2006 Act and any such indemnity is limited accordingly. This Article is also without prejudice to any indemnity to which any person may otherwise be entitled. Article 38 of the Model Articles shall not apply.
- 76 To the extent permitted by, and subject to the restrictions in, the 2006 Act and without prejudice to any indemnity to which he may otherwise be entitled, the Board shall have the power to provide funds to meet any expenditure incurred or to be incurred by any Director, alternate director, Secretary or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as an auditor) in defending any criminal or civil (including regulatory) proceedings, or in connection with an application under the 2006 Act, or to enable him to avoid incurring such expenditure.
- 77 Without prejudice to the provisions of Article 39 of the Model Articles or the provisions of these Articles, the Board may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or employee, of the Company or of a company which is a subsidiary undertaking of the Company or in which the Company has an interest (whether direct or indirect), or who is or

was a trustee of a retirement benefits scheme or another trust in which an officer or employee or former officer or employee is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or another liability which may lawfully be insured against by the Company.