

Company Number 9178094

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

OF

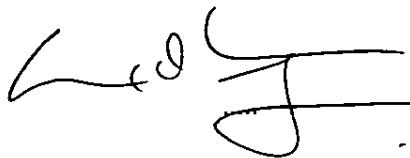
PUBLIC SECTOR AUDIT APPOINTMENTS LIMITED (the "Company")

Circulation Date 6th January 2017

In accordance with Chapter 2 of Part 13 of the Companies Act 2006, the signatory to this written resolution, being the only eligible member of the Company, irrevocably agrees that the resolution set out below is passed as a special resolution

SPECIAL RESOLUTION

THAT the Amendments to the Objects of the Company set out in the document attached to this Written Resolution are adopted as the Objects of the Company from the passing of this Written Resolution to the exclusion of all previous articles of association



Duly authorised for and on behalf
Of The Improvement and Development
Agency for Local Government

Date

SATURDAY



A13 21/01/2017 #158
COMPANIES HOUSE

PART 2

OBJECTS

OBJECTS

3 (1) The objects for which the company is established ("the Objects") are to

(a) perform and discharge the functions delegated to it by the Secretary of State for Communities and Local Government pursuant to his power in The Local Audit and Accountability Act 2014 (Commencement No 7, Transitional Provisions and Savings) Order 2015 made under the Local Audit and Accountability Act 2014 including (but not limited to)

(a*i*) the appointment of auditors to all relevant authorities,

(a*ii*) setting scales of fees and charging fees for the audit of accounts of relevant authorities and consulting with relevant parties in relation to those scales of fees,

(a*iii*) making arrangements for the certification of claims or returns in respect of Housing Benefit subsidy from audited bodies,

(b) perform and discharge the functions of an appointing person specified by the Secretary of State for Communities and Local Government under the Local Audit (Appointing Person) Regulations 2015 including (but not limited to)

(i) to issue an invitation to all principal authorities to become an opted-in authority,

(ii) to appoint the external auditor to all opted-in principal authorities after consultation,

(iii) to specify scales of fees for the audit of accounts of opted-in authorities, before the start of the financial year to which the scales relate, and after consultation,

(iv) to keep, and publish, a record of authorities that become opted-in authorities, to oversee issues of appointed auditor independence, monitor compliance, assist in the resolution of disputes or complaints, and deal with the removal of an appointed auditor

and additionally

(d) to ensure a smooth transition to the new audit regime to be established under the Local Audit and Accountability Act 2014,

(e) to take steps to ensure that public money continues to be properly accounted for and protected during the transition to the new local appointment regime to be established under the Local Audit and Accountability Act 2014,

- (f) to oversee the delivery of consistent high quality and effective audit services to relevant authorities, and
- (g) to ensure effective management of contracts with audit firms for the delivery of audit services to relevant authorities
- (h) to be financially responsible having regard to the efficiency of operating costs and transparently safeguarding fees charged to audited bodies, and ,
- (i) to lead its people as a good employer, ensuring that it continues to be fit-for-purpose, motivating and supporting its staff, and communicating with them in an open, honest and timely way

Company Number 9178094

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION

of

PUBLIC SECTOR AUDIT APPONTMENTS LIMITED

Objects as amended approved 18/1/2017

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PART 1

INTERPRETATION AND LIMITATION OF LIABILITY

1 DEFINED TERMS AND INTERPRETATION

(1) In the articles, unless the context requires otherwise-

Act	means the Companies Act 2006 (CA 2006) as amended,
articles	means the company's articles of association,
audited body	means any relevant authority for which the company has appointed auditors pursuant to its Objects,
bankruptcy	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,
Chairman	has the meaning given in article 14,
chairman of the meeting	has the meaning given in article 27,
Companies Acts	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the company,
Corporate Governance Framework	means any document setting out corporate governance arrangements for the company as approved by the directors from time to time,
director	means a director of the company, and includes any person occupying the position of director, by whatever name called,
Document	includes, unless otherwise specified, any document sent or supplied in electronic form,
electronic form	has the meaning given in section 1168 of the Act,
Improvement and Development Agency (IDeA)	means the Improvement and Development Agency for Local Government (company number 03675577),
member	has the meaning given in section 112 of the Act,

Objects	means the objects of the company as set out in Part 2 of these articles,
ordinary resolution	has the meaning given in section 282 of the Act,
participate	in relation to a directors' meeting, has the meaning given in article 12,
proxy notice	has the meaning given in article 33,
relevant authority	means any of the authorities listed as relevant authorities in Schedule 2 of the Local Audit and Accountability Act 2014
special resolution	has the meaning given in section 283 of the Act,
subsidiary	has the meaning given in section 1159 of the Act,
Table of Delegations	means a document (whether in tabular or other format) setting out authority levels and reserved matters for decision making as approved by the directors from time to time, and
writing	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

(2)

- (a) The Model Articles do not apply to the company
- (b) Whenever and for so long as, the company has a single member, these articles apply (in the absence of any express provision to the contrary) with such modification as is necessary in relation to a single member company
- (c) Whenever, and for so long as, the company has a single director, references in these articles to the **Board** and to the **directors** shall be construed as references to that director and he may exercise all the powers of the company without the necessity for any meeting
- (d) Any reference in these articles to the **Board** or to the **directors** includes a reference to a duly appointed committee of the Board or of the directors consisting of one or more directors (unless inconsistent with the subject or context)
- (e) Any reference in these articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under that enactment

- (f) References to **writing** mean the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether in electronic form or otherwise and **written** shall be construed accordingly and references to an **instrument** mean a written document not in electronic form
- (g) Words and expressions contained in these articles which are not defined in these articles but are defined in the Act have the same meaning as in the Act (but excluding any modification of the Act not in force at the date of incorporation of the company) unless inconsistent with the subject or context
- (h) Any reference to doing something by electronic means includes doing it by an electronic communication
- (i) Any reference to a signature or to something being signed or executed includes
 - (i) an electronic signature (within the meaning of section 7(2) of the Electronic Communications Act 2000) or other means of verifying the authenticity of an electronic communication which the directors may from time to time approve, and
 - (ii) a signature printed or reproduced by mechanical or other means or any stamp or other distinctive marking made by or with the authority of the person required to sign the document to indicate it is approved by such person
- (j) Any reference to a show of hands includes such other method of casting votes as the directors may from time to time approve
- (k) Unless the contrary intention appears, words importing the singular number include the plural number and vice versa, words importing one gender include the other gender and words importing persons include bodies corporate and unincorporated associations
- (l) Headings to these articles are inserted for convenience and shall not affect construction

2 LIABILITY OF MEMBERS

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the company in the event of its being wound up while he is a member or within one year after he ceases to be a member, for-

- (a) payment of the company's debts and liabilities contracted before he ceases to be a member,
- (b) payment of the costs, charges and expenses of winding up, and

- (c) adjustment of the rights of the contributories among themselves

PART 2

OBJECTS

3 OBJECTS

- 3 (1) The objects for which the company is established ("the Objects") are to
- (a) perform and discharge the functions delegated to it by the Secretary of State for Communities and Local Government pursuant to his power in The Local Audit and Accountability Act 2014 (Commencement No 7, Transitional Provisions and Savings) Order 2015 made under the Local Audit and Accountability Act 2014 including (but not limited to)
 - (i) the appointment of auditors to all relevant authorities,
 - (ii) setting scales of fees and charging fees for the audit of accounts of relevant authorities and consulting with relevant parties in relation to those scales of fees,
 - (iii) making arrangements for the certification of claims or returns in respect of Housing Benefit subsidy from audited bodies,
 - (b) perform and discharge the functions of an appointing person specified by the Secretary of State for Communities and Local Government under the Local Audit (Appointing Person) Regulations 2015 including (but not limited to)
 - (i) to issue an invitation to all principal authorities to become an opted-in authority,
 - (ii) to appoint the external auditor to all opted-in principal authorities after consultation,
 - (iii) to specify scales of fees for the audit of accounts of opted-in authorities, before the start of the financial year to which the scales relate, and after consultation,
 - (iv) to keep, and publish, a record of authorities that become opted-in authorities, to oversee issues of appointed auditor independence, monitor compliance, assist in the resolution of disputes or complaints, and deal with the removal of an appointed auditor
- and additionally
- (d) to ensure a smooth transition to the new audit regime to be established under the Local Audit and Accountability Act 2014,

- (e) to take steps to ensure that public money continues to be properly accounted for and protected during the transition to the new local appointment regime to be established under the Local Audit and Accountability Act 2014,
- (f) to oversee the delivery of consistent high quality and effective audit services to relevant authorities, and
- (g) to ensure effective management of contracts with audit firms for the delivery of audit services to relevant authorities
- (h) to be financially responsible having regard to the efficiency of operating costs and transparently safeguarding fees charged to audited bodies, and ,
- (i) to lead its people as a good employer, ensuring that it continues to be fit-for-purpose, motivating and supporting its staff, and communicating with them in an open, honest and timely way

It is declared that

- (i) this article 3 shall be interpreted in the widest and most general manner and without regard to the *ejusdem generis* rule or any other restrictive principle of interpretation,
 - (ii) each of the above sub-articles shall, unless it expressly provides to the contrary, be deemed to set out a separate, distinct and independent object of the company and not a power ancillary or incidental to the objects set out in any other sub-clause and the company shall have full power to exercise each and every one of the Objects as though each such sub-clause contained the objects of a separate company
- (2) In addition to any other powers it may have, the company has the following powers in order to further the Objects (but not for any other purpose)
- (a) to promote, organise, assist, participate in, subscribe to, guarantee and defray the expenses of surveys, consultations, conferences and meetings of all sorts tending directly or indirectly to further any of the Objects,
 - (b) to maintain offices for answering enquiries and disseminating information and to print, publish, sell, circulate and distribute handbooks and publications which are calculated to be useful to relevant authorities or others or to promote directly or indirectly any of the Objects,
 - (c) to undertake, encourage and support appropriate form of publicity and advertising calculated to promote directly any of the Objects,
 - (d) to require payment for services or for goods provided as is

considered appropriate in the furtherance of the Objects,

- (e) to apply for, register, purchase, or by other means acquire and protect, prolong and renew, any patents, patent rights, licences, secret processes, trademarks, designs, protections and concessions and to disclaim, alter, modify, use and turn to account or grant licences or privileges in respect of the same,
- (f) to enter into such commercial or other transactions in connection with the business of the company as may seem to the directors desirable for the purposes of the company's affairs,
- (g) to carry out such operations and to deal with such goods and to acquire, take options over, lease, hold, manage, maintain, alter, or deal with such property, rights or privileges as may seem to the directors directly or indirectly to advance the interests of the company,
- (h) to pay for any rights or property acquired by the company and to remunerate any person or company, as the directors think fit,
- (i) to invest and deal with the monies of the company not immediately required in any manner and hold and deal with any investment so made with due regard to the duty to manage funds effectively and effectively
- (j) to draw, make, accept, endorse, negotiate, execute and issue cheques, and other negotiable or transferable instruments,
- (k) to acquire by any means, any real or personal property or rights whatsoever, and to , equip, maintain, alter any buildings, works or other real or personal property necessary or convenient for the purposes of the company or to finance, guarantee or arrange the execution of such work by any other person, body or company,
- (l) subject to such consents as may be required by law, to receive and accept financial assistance, grants, donations, endowments, gifts (both inter vivos and testamentary), and the loans of any property whatsoever, real or personal and subject or not to any specific charitable trust or condition for the Objects,
- (m) to engage and pay upon such reasonable and proper terms as may be thought fit any person or persons, whether on a full-time or part-time basis or on secondment and whether as consultant or employee to supervise, organise, carry on the work of and advise the Company,
- (n) to remunerate any person, firm or company rendering services to the company,

- (o) to pay all or any expenses incurred in connection with the promotion, formation and incorporation of the company, or to contract with any person, firm or company to pay the same,
- (p) to provide and establish and maintain or participate in trusts, funds, schemes, clubs or other arrangements (whether contributory or non-contributory) with a view to providing pensions, insurances, allowances, gratuities, incentives and benefits of every description including, but not limited to, retirement benefits schemes and/or life assurance schemes to or for the benefit of officers, ex-officers, employees or ex-employees of the company or the dependants or relatives of any such persons, and to provide or lend money or provide other financial assistance in accordance with or for the purposes of such arrangements,
- (q) to purchase and maintain, for the benefit of any director (including an alternate director), officer or auditor of the company or of any company which is the holding company, insurance against any liability as is referred to in sections 232 to 237 of the Act and, subject to the provisions of the legislation, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director (including an alternate director), officer or auditor and, subject also to the provisions of the legislation, to indemnify any such person out of the assets of the company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto and, without prejudice to the foregoing, to grant any such indemnity after the occurrence of the event giving rise to any such liability,
- (r) to take, make, execute, enter into, commence, carry on, prosecute or defend all steps, claims, demands, contracts, agreements, negotiations, legal and other proceedings, compromises, arrangements and schemes, and to do all other acts, matters and things which shall at any time appear conducive or expedient for the advantage or protection of the Company,
- (s) to do all or any of the things or matters aforesaid either as principal, agent, contractor or otherwise, and by or through agents, brokers, sub-contractors or otherwise and either alone or in conjunction with others,
- (t) to do all such things as are, in the opinion of the directors, incidental or conducive to the attainment of all or any of the Objects

PART 3

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

4 DIRECTORS' GENERAL AUTHORITY

- 4 -** (1) Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company
- (2) The directors may not approve any action or any decision to refrain from taking any action if as a consequence the company's expenditure for any financial year might reasonably be expected to exceed its income for that financial year

5 DIRECTORS MAY DELEGATE

- 5** (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles-
- (a) to such person (including but not limited to any person appointed as Chief Officer under article 8) or committee,
 - (b) by such means,
 - (c) to such an extent,
 - (d) in relation to such matters, and
 - (e) on such terms and conditions,
- as they think fit
- (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated
- (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions

6 COMMITTEES

- 6** (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors
- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them

7 CHIEF OFFICER

- 7 (1) The directors shall appoint a person of appropriate qualification and experience (not being a director or member) to act as Chief Officer
- (2) The Chief Officer shall assume the responsibilities set out in the Table of Delegations from time to time and, if there is no Table of Delegations, he shall have responsibility for the day to day conduct of the management of the company

DECISION-MAKING BY DIRECTORS

8 DIRECTORS TO TAKE DECISIONS COLLECTIVELY

- 8 (1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 10
- (2) If-
- (a) the company only has one director, and
- (b) no provision of the articles requires it to have more than one director,

the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making

9 UNANIMOUS DECISIONS

- 9 (1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

10 CALLING A DIRECTORS' MEETING

- 10 (1) Any director may call a directors' meeting by authorising the company secretary to give notice of the meeting to directors

- (2) Notice of any directors' meeting must indicate—
 - (a) its proposed date and time,
 - (b) where it is to take place, and
 - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing
- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company secretary not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

11 PARTICIPATION IN DIRECTORS' MEETINGS

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

12 QUORUM FOR DIRECTORS' MEETINGS

- 12 (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision—

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the members to appoint further directors

13 CHAIRING OF DIRECTORS' MEETINGS

- 13** (1) Directors meetings shall be chaired by the Chairman who shall be appointed in accordance with article 19(2) (a)
- (2) The directors may appoint one of themselves (other than the Chairman) to act as Deputy Chairman who shall chair any directors' meeting at which the Chairman does not participate within ten minutes after the time at which it was to start
- (4) If neither the Chairman nor the Deputy Chairman participates in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it

14 CASTING VOTE

- 14** (1) If the numbers of votes for and against a proposal are equal, the Chairman or other director chairing the meeting has a casting vote
- (2) But this does not apply if, in accordance with the articles, the Chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

15 CONFLICTS OF INTEREST¹

- 15** (1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes
 - (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes
 - (3) This paragraph applies when-
 - (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process,
 - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest, or
-

- (c) the director's conflict of interest arises from a permitted cause
- (4) For the purposes of this article, the following is a permitted cause-
 - (a) "arrangements pursuant to which benefits are made available to employees and directors or former employees of the company or which do not provide special benefits for directors"
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any director other than the Chairman is to be final and conclusive
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

16 RECORDS OF DECISIONS TO BE KEPT

- 16 (1) The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors

17 DIRECTORS' DISCRETION TO MAKE FURTHER RULES

- 17 (1) Subject to the articles, the directors may make any rule which they think fit about how they take decisions in furtherance of the Objects of the Company, and about how such rules are to be recorded or communicated to directors

APPOINTMENT OF DIRECTORS

18 APPOINTMENT OF DIRECTORS

- 18 (1) The directors shall be not more than 5 in number The company shall not have any directors other than those appointed under this Article 18
- (2) Any person who is not employed by the Company who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director
 - (a) in the case of the director who is to act as Chairman, by the Improvement and Development Agency,

- (b) in the case of any other director, by the Chairman with the approval of the Improvement and Development Agency

19 TERMINATION OF DIRECTOR'S APPOINTMENT

- 19** (1) A person ceases to be a director as soon as-
- (a) that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law,
 - (b) a bankruptcy order is made against that person,
 - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
 - (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
 - (e) the earlier of the following has expired (i) the term for which he was originally appointed as set out in his letter of appointment, and (ii) notice given by the company or the director under the letter of appointment to terminate his appointment,
 - (f) a resolution of the Board removing him as a director is passed (following consultation with the Improvement and Development Agency),
 - (g) notification is received by the company secretary from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms

20 DIRECTORS' REMUNERATION

- 20** (1) Directors are entitled to reasonable remuneration as the directors determine-
- (a) for their services to the company as directors

21 DIRECTORS' EXPENSES

- 21** (1) The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at-
- (a) meetings of directors or committees of directors,
 - (b) general meetings, or

otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company

PART 4

MEMBERS

BECOMING AND CEASING TO BE A MEMBER

22 APPLICATIONS FOR MEMBERSHIP

22 No person shall become a member of the company unless-

- (a) that person has completed an application for membership in a form approved by the directors, and
- (b) the members have approved the application by ordinary resolution

23 TERMINATION OF MEMBERSHIP

- 23**
- (1) A member may withdraw from membership of the company by giving 7 days' notice to the company's secretary in writing
 - (2) Membership is not transferable
 - (3) A person's membership terminates when that person dies or ceases to exist

ORGANISATION OF GENERAL MEETINGS

24 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 24**
- (1) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting
 - (2) A person is able to exercise the right to vote at a general meeting when-
 - (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting
 - (3) The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it

- (4) In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other
- (5) Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

25 QUORUM FOR GENERAL MEETINGS

- 25 (1) No business other than the appointment of the Chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

26 CHAIRING GENERAL MEETINGS

- 26 (1) The Chairman shall chair general meetings if present and willing to do so
- (2) If the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start the Deputy Chairman shall chair the meeting if present and willing to do but if he is unwilling to chair the meeting or is not present within then minutes of the time at which the meeting was due to start-
 - (a) the directors present, or
 - (b) (if no directors are present), the meeting,must appoint a director or member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting
- (3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting"

27 ATTENDANCE AT GENERAL MEETINGS

- 27 (1) Directors may attend and speak at general meetings, whether or not they are members
- (2) The company secretary may attend general meetings
- (3) The chairman of the meeting may permit other persons who are not members of the company to attend and speak at a general meeting

28 ADJOURNMENT

- 28 (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a

meeting a quorum ceases to be present, the chairman of the meeting must adjourn it

- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if-
 - (a) the meeting consents to an adjournment, or
 - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- (4) When adjourning a general meeting, the chairman of the meeting must-
 - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)-
 - (a) to the same persons to whom notice of the company's general meetings is required to be given, and
 - (b) containing the same information which such notice is required to contain
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

VOTING AT GENERAL MEETINGS

29 VOTING: GENERAL

- 29 (1) A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles

30 ERRORS AND DISPUTES

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

31 POLL VOTES

- 31** (1) A poll on a resolution may be demanded-
- (a) in advance of the general meeting where it is to be put to the vote, or
 - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared
- (2) A poll may be demanded by-
- (a) the chairman of the meeting,
 - (b) the directors,
 - (c) two or more persons having the right to vote on the resolution, or
 - (d) a person or persons representing not less than one tenth of the total voting rights of all the members having the right to vote on the resolution
- (3) A demand for a poll may be withdrawn if-
- (a) the poll has not yet been taken, and
 - (b) the chairman of the meeting consents to the withdrawal
- (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs

32 CONTENT OF PROXY NOTICES

- 32** (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which-
- (a) states the name and address of the member appointing the proxy,
 - (b) identifies the person appointed to be that member's proxy and the

general meeting in relation to which that person is appointed,

- (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine, and
 - (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate
- (2) The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
 - (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions
 - (4) Unless a proxy notice indicates otherwise, it must be treated as-
 - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

33 DELIVERY OF PROXY NOTICES

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

34 AMENDMENTS TO RESOLUTIONS

- 34 (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if-
 - (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be

proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

- (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if-
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

PART 5

DISTRIBUTIONS/WINDING UP

35 DISTRIBUTIONS

- 35 (1) Subject to the provisions of article 35(2) and article 36 the income and property of the company shall be applied solely towards the promotion of the Objects. No portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to members of the company. Nothing in these articles shall prevent any payment in good faith by the company
- (a) of reasonable and proper remuneration to any member, officer or servant of the company for any services rendered to the company,
 - (b) of reasonable and proper rent or licence fee for any premises demised, let or licensed by any member of the company or director,
 - (c) of fees remuneration or other benefit in money or money's worth to a company of which a member of the company or a director may be a member, or
 - (d) to any director of reasonable out of pocket expenses properly incurred in connection with the business or undertaking of the company
- (2) Any surplus of the company will be distributed to audited bodies in accordance with a formula to be agreed by the directors from time to time

36 WINDING UP

- 36 If upon the winding up or dissolution of the company there remains, after the satisfaction of all its debts and liabilities any property or operating surplus whatsoever, the same shall not be paid to or distributed among the members of the company but shall be distributed to audited bodies or a party nominated by the Secretary of State and agreed by the directors

PART 6

ADMINISTRATIVE ARRANGEMENTS

37 MEANS OF COMMUNICATION TO BE USED

- 37 (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

38 COMPANY SEALS

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

39 NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

- 39.1** Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a member

40 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

- 40.1** The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary

41 BYLAWS

- 41.1** The directors shall have power to make bylaws concerning such matters regarding the governance and management of the Company (including but not limited to the Corporate Governance Framework and the Table of Delegations) as they may from time to time think fit and to revoke or alter any such bylaws, provided that no bylaw shall have effect if and to the extent that it is inconsistent with these articles

42 INDEMNITY AND INSURANCE

- 42 1** (1) Subject to paragraph (2), each relevant officer of the company may be indemnified out of the company's assets against-
- (a) Any liability incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's affairs, and
 - (b) otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure in connection with any proceedings or application referred to in article 26(1) (a)
 - (c) any liability incurred by relevant officer in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act),
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly
- (2) In this article-

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any pension fund or employees' share scheme of the company , and
- (c) a "relevant officer" means any director or officer or former director or officer of the Company

43 INSURANCE

- 43 (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss

- (2) In this article-

- (a) a "relevant director" means any director or former director of the company,

a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company,