

COMPANY NUMBER 15885716

PRIVATE COMPANY LIMITED BY GUARANTEE
WRITTEN RESOLUTION OF THE SOLE MEMBER QF
HAVERING LONDON LIMITED

(the "Company")

Under Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution is passed as a SPECIAL RESOLUTION (the "Resolution").

CIRCULATION DATE: [DATE]

SPECIAL RESOLUTION

IT WAS RESOLVED the draft Articles of Association initialled and attached are adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the Company's existing Articles of Association.

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, the sole member of the Company and the person entitled to vote on the Resolution on the Circulation Date above, hereby irrevocably agrees to the Resolution.

Signed
Borough of Havering
(Sole Member)

on behalf of the Mayor and Burgesses of the London

Date:

NOTES

1. If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above. Please then supply the signed resolution to the Company.
2. If you do not agree to the Resolution, you do not need to do anything. You will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.
4. Unless by 28 days after the Circulation Date sufficient agreement is received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date.

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY
GUARANTEE

ARTICLES OF ASSOCIATION
HAVING LONDON LIMITED

(Adopted by special resolution on)

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY GUARANTEE
ARTICLES OF ASSOCIATION
OF
HAVERING LONDON LIMITED (the "Company")
(Adopted by special resolution passed on [date])

1. Interpretation

1.1. In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006

Appointor: means a director who appoints an alternate director to act in his absence at meetings;

Articles: means the Company's articles of association for the time being in force;

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

Business Day: means any day (other than a Saturday, Sunday or public holiday in England) when banks in London are open for business;

Conflict: means a situation in which a director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company;

Council: means The Mayor and Burgesses of the London Borough of Havering of Havering Town Hall Main Road Romford RM1 3BB;

Council Veto: means the veto which the Council can apply whilst a Member or the Company to prevent a vote by Members on the matters listed in Schedule 1;

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 1 168 of the Act;

Eligible Director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 11, any director whose vote is not to be counted in respect of the particular matter);

Interested Director: has the meaning given in article 16;

Member: means a person who is admitted to membership in accordance with the Articles and Membership shall be construed accordingly;

Model Articles: means the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "Model Article" is a reference to that article of the Model Articles;

Objects: means the objects of the Company as stated in Article 2;

ordinary resolution: has the meaning given in section 282 of the Act;

participate: in relation to a director's meeting, has the meaning given in Model Article 10;

proxy notice: has the meaning given in Model Article 31;

Reserved Matters: means those matters listed in Schedule 1 which require the agreement of at least 75% of the members voting at a meeting at which the proposal concerning those matters is proposed;

secretary: means the secretary of the Company and any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary; special resolution: has the meaning given in section 283 of the Act; subsidiary: has the meaning given in section 1 159 of the Act;

Teckal: means the codified rule of EU procurement law as set out within Directive 2014/24/EU and Regulation 12 of the Public Contracts Regulations 2015, pursuant to which the requirement for open advertisement and tendering for public contracts in accordance with the Public Contracts Regulations 2015 or its successor legislation, does not apply.

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.

1.2. Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

1.3. Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4. A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.

1.5. Unless expressly provided otherwise, a reference to a statute or statutory provision shall include any subordinate legislation from time to time made under that statute or statutory provision.

1.6. Any word following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.7. The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.

1.8. The following Model Articles shall not apply to the Company:

1.8.1. 1 (Defined terms);

1.8.2. 2 (Liability of Members);

1.8.3. 3 (Directors' general authority)

1.8.4. 8 (Unanimous decisions);

1.8.5. 9(1) and (3) (Calling a directors' meeting);

1.8.6. 11 (2) and (3) (Quorum for directors' meeting);

1.8.7. 13 (Casting vote);

1.8.8. 14 (1), (2), (3) and (4) (Conflicts of interest);

1.8.9. 17(2) (Methods of appointing directors);

1.8.10. 21 (Applications for membership);

1.8.11. 22 (Termination of membership);

1.8.12. 30(2) (Poll votes);

1.8.13. 31 (l)(d) (Content of proxy notices);

1.8.14. 35 (Company seals);

1.8.15. 38 (Indemnity);

1.8.16. 39 (Insurance).

1.9. Model Article 7 (Directors to take decisions collectively) shall be amended by:

1.9.1. the insertion of the words "for the time being" at the end of Model Article 7(2)(a);and

1.9.2. the insertion in Model Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".

1.10. Model Article 20 shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".

2. Object

The object for which the Company is established is to promote the advancement of cultural activities for the public benefit predominantly, but not exclusively, within the London Borough of Havering.

3. Powers

In pursuance of the object set out in article 2, the Company has the power to:

3.1.1. buy, lease or otherwise acquire and deal with any property real or personal and any rights or privileges of any kind over or in respect of any property real or personal and to improve, manage, develop, construct, repair, sell, lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Company;

3.1.2. borrow and raise money in such manner as the directors shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Company's property and assets subject to such action by the board not exposing the company under the terms of existing legal agreements entered into;

3.1.3. invest and deal with the funds of the Company not immediately required for its operations in or upon such investments, securities or property as may be thought fit;

3.1.4. subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world;

3.1.5. lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any holding company or subsidiary

3.1.6. lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation

in each case in such way or by such means as may, in the opinion of the directors, affect or advance the principal object in any way;

3.1.7. advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the directors, affect or advance the principal object in any way;

3.1.8. pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company and to contract with any person, firm or company to pay the same;

3.1.9. enter into contracts to provide services to or on behalf of other bodies;

3.1.10. provide and assist in the provision of money, materials or other help;

3.1.11. open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;

3.1.12. incorporate subsidiary companies to carry on any trade; and

3.1.13. do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of any of the object set out in article 2.

4. Income

4.1. The income and property of the Company from wherever derived shall be applied solely in promoting the Company's objects and to make a donation at the discretion of the directors to a charity aligned to its company objects.

4.2. No distribution shall be paid or capital otherwise returned to the Members in cash or otherwise. Nothing in these Articles shall prevent any payment in good faith by the Company of:

4.2.1 . reasonable and proper remuneration to any Member, officer or servant of the Company for any services rendered to the Company;

4.2.2. any interest on money lent by any Member or any director at a reasonable and proper rate;

4.2.3. reasonable and proper rent for premises demised or let by any Member or director; or

4.2.4. reasonable out-of-pocket expenses properly incurred by any director.

5. Winding up

On the winding-up or dissolution of the Company, after provision has been made for all its debts and liabilities, any assets or property that remains available to be distributed or paid, shall not be paid or distributed to the Members (except to a Member that qualifies under this Article) but shall be transferred to another body (charitable or otherwise) with objects similar to those of the Company. Such body to be determined by resolution of the Members at or before the time of winding up or dissolution and, subject to any such resolution of the Members, may be made by resolution of the directors at or before the time of winding up or dissolution.

6. Guarantee

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

- 6.1. 1. payment of the Company's debts and liabilities contracted before he ceases to be a Member,
- 6.1. 2. payment of the costs, charges and expenses of the winding up, and
- 6.1. 3. adjustment of the rights of the contributories among themselves.

7. Director's general authority

The directors are responsible for the management of the Company's business in accordance with its objects, for which purpose they may exercise all the powers of the company.

8. Section 151 Officer

8.1 . These are the mandatory on-going obligations of the Company in relation to the Council's responsibilities under Section 151 of the Local Government Act 1972.

8.2. The Company shall ensure the following are maintained at all times to the satisfaction of Section 151 officer of the Council, such officer having the right of inspection of the records of the Company at any time:

- 8.2.1 . suitably qualified finance staff employed by the Company, including in due course a finance director;
- 8.2.2. an accounting package that is fit for purpose, including the software and hardware used to maintain financial records and statements necessary to meet statutory and management accounting requirements. This will include any manual records that are needed to undertake this task. Financial systems should be suitable for receiving income and making payments;
- 8.2.3. suitable arrangements to meet statutory requirements associated with VAT, corporation tax, CIS and stamp duty;

- 8.24. suitable insurance arrangements with adequate cover;
 - 8.25. business continuity plans;
 - 8.2.6. suitable asset management arrangements (if relevant) and a to include valuation arrangements where necessary;
 - 8.27. suitable banking arrangements with a reputable organisation;
 - 8.28. a financial delegation scheme;
 - 8.29. fit for purpose governance arrangements;
 - 8.2.10. external auditors suitable for the size of the Company subject always to prior approval of the Members;
 - 8.2.11. suitable internal audit capacity;
 - 8.2.12. treasury management arrangements where needed;
 - 8.2.13. adequate arrangements for risk management;
 - 8.2.14. arrangements that adequately address Local Government Pension Scheme's requirements should the Company become a member of the
Local government Pension Scheme;
 - 8.2.15. an adequate anti-fraud and bribery policy;
and
 - 8.2.16. a money laundering policy.
- 8.3. The Company shall ensure that any transactions with the Council and any transaction with other Council trading companies that have potential implications for the Council accounts are agreed in advance with the Council so that the full implications for the Council can be fully assessed.

9. Members' reserve power

- 9.1. The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- 9.2. No such special resolution invalidates anything which the Directors have done before the passing of the special resolution.
- 9.3. None of the transactions, matters or things specified Schedule 1 shall be effected by the Company without the prior consent of the Council.

10. Directors may delegate

- 10.1. Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:
- 10.1.1. to such person or committee; by such means
 - 10.1.2. (including by power of attorney); to such an extent;
 - 10.1.3. in relation to such matters or territories; and on such
 - 10.1.4. terms and conditions,
 - 10.1.5. as they think fit.
- 10.2. If the Directors specify in accordance with Article 10.1 any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 10.3. The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

11. Committees

- 11.1. 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.
- 11.2. 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.

12. Decision-making by Directors

- 12.1. Decisions of the Directors must:
- 12.1.1. be a majority decision taken at a Directors' meeting; or
 - 12.1.2. take the form of a resolution in writing, copies of which have been signed by a majority of eligible Directors or to which a majority of eligible Directors have otherwise indicated agreement in writing, provided that the eligible Directors signing or indicating agreement to the resolution would have formed a quorum at a Directors' meeting.
- 12.2. References in Article 12.1.2 to eligible Directors are to Directors that would have been entitled to vote on the matter and have their votes counted if it had been proposed as a resolution at a Directors' meeting.

13. Calling a directors' meeting

- 13.1. Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the Company secretary (if any) to give such notice.
- 13.2. Notice of any Directors' meeting must indicate:
- 13.2.1. its proposed date and time;
 - 13.2.2. where it is to take place; and

13.2.3. 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.

13.3. Directors' meetings must be held not less than twelve (12) times in every calendar year and at not more than one month intervals, unless otherwise determined by the Board (with the consent of the Council) .

13.4. Notice of a Directors' meeting must be given to each Director in writing and include an agenda specifying in reasonable detail the matters to be discussed. Save in an emergency, or where a majority of the Directors agree otherwise in writing, not less than 10 clear Business Days' prior written notice must be given of any Directors' meeting. Notice of a Directors' meeting (or any adjournment thereof) given to a Director by electronic means, if sent to an electronic address provided by the Director for the purpose, is deemed to have been received by the Director one hour after it was sent.

13.5. Entitlement to notice of a Directors' meeting may be waived by a Director by giving notice to that effect to the Company at any time before or after the meeting and such waiver does not affect the validity of the meeting or of any business conducted at it.

13.6. Directors may participate in a Directors' meeting by means of a conference telephone, video conferencing facility or similar communications equipment which allows all persons participating in the meeting to hear each other. If all the Directors participating in a meeting are not in the same place, the meeting is to be treated as taking place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the Meeting is.

13.7. At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting. The quorum for a Directors' meeting is two Eligible Directors including the Council Director (if appointed). If the total number of Directors for the time being is less than two, the Directors may take, but must not take any decision other than:

13.7.1. a decision to call a general meeting or propose a written resolution so as to enable the Members to appoint one or more further Directors; or

13.7.2. a decision to appoint further Directors, and the requirement for a quorum to participate does not apply to any such decision.

14. Chairing of Directors' meetings

14.1 . The Directors may appoint a Director to chair their meetings.

14.2. The person so appointed for the time being is known as the Chairman.

14.3. The Directors may terminate the Chairman's appointment at any time.

14.4. If the Chairman is not participating 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 the meeting.

15. Casting vote

The Chairman of a Director's meeting shall not have a casting vote. If the numbers of votes for and against a proposal are equal, the Directors must refer the proposal to the Members by notice in writing who shall take the decision by majority and inform the Directors in writing of the decision.

16. Directors' conflicts of interest

16.1 . For the purposes of Article 14(1) of the Model Articles, a director shall disclose any actual or proposed transaction or arrangement with the Company in which the director is interested in the following manner:

16.1.1. a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

16.1.2. an interest of which a director has no knowledge and of which it is unreasonable to expect him/her to have knowledge shall not be treated as an interest of his; and

16.1.3. an interest of a person who is, for any purpose of the Act (excluding any statutory modification not in force when this Article becomes binding on the Company), connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his/her Appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

16.2. Articles 14(2), 14(3) and 14(4) of the Model Articles shall not apply to the Company.

16.3. Article 14(1) of the Model Articles shall be amended by deletion of the words "quorum or" so that it reads "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 voting purposes".

Directors: Situational Conflicts of Interest

16.4. For the purposes of section 175 of the Act, the Members (and not the directors) shall have the power to authorise, by ordinary resolution and in accordance with the

provisions of these Articles, any matter or situation proposed to it by a director which would, if not so authorised, involve a breach of duty by a director under section 175 of the Act to avoid conflicts of interest (a "Conflict"). Any authorisation of a matter or situation under this Article 16 may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised.

- 16.5. The relevant director seeking authorisation of the Conflict (the "Interested Director") must provide the Members with such details as are necessary for the Members to decide whether or not to authorise the Conflict, together with such additional information as may be requested by the Members.
- 16.6. Any authorisation by the Members of a Conflict may (whether at the time of giving the authorisation or subsequently):
 - 16.6.1. provide that the Interested Director be excluded from the receipt of documents and information, the participation in discussions and/or the making of decisions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 16.6.2. impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Members think fit;
 - 16.6.3. provide that, where the Interested Director obtains, or has obtained (through his/her involvement in the Conflict and otherwise than through his/her position as a director of the Company) information that is confidential to a third party, s/he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 16.6.4. permit the Interested Director to absent himself/herself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 16.5. The Interested Director will be obliged to conduct himself/herself in accordance with any terms imposed by the Members in relation to the Conflict.
- 16.6. The Members may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 16.7. A director, notwithstanding his/her office, may be a councillor, director or other officer of, employed by, or otherwise interested in, the relevant Member and such situation is hereby authorised pursuant to Article 16.4 and shall not amount to a breach of the director's duty under section 175 of the Act. Such director shall not be obliged to disclose to the Company or use for the benefit of the Company, any confidential information received by him/her by virtue of such position or interest (and otherwise than by virtue of his/her position as a director), if to do so would result in a breach of a duty or obligation of confidence owed by him/her to the relevant Member.

16.8. A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which s/he derives from or in connection with a relationship involving a Conflict which has been authorised by the Members in accordance with this Article 16 (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

17. Records of decisions to be kept

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.

18. Directors' discretion to make further rules

Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

19. Number of directors

Unless otherwise determined by ordinary resolution, the number of Directors shall not be more than five. A sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these Articles.

20. Methods of appointing Directors

20.1 . Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

20.1.1. by notice to the Company by a Member holding a majority of the total voting rights of all the Members having the right to vote at general meetings;

20.1.2. by ordinary resolution; or

20.1.3. by a decision of the Directors.

20.2. In any case where, as a result of death, the Company has no Members and no Directors, the personal representatives of the last Member to have died have the right, by notice in writing, to appoint a person to be a Director.

20.3. For the purposes of Article 20.2, where two or more Members die in circumstances rendering it uncertain who was the last to die, a younger Member is deemed to have survived an older Member.

20.4. A Member holding a majority of the total voting rights of all the Members having the right to vote at general meetings may by notice to the Company remove from

office any Director (whether or not such Director was appointed under Article 20.1.1).

20.5. Any appointment or removal of a Director under Articles 20.1.1 or 20.4 must be made by notice in writing to the Company and takes effect on delivery to the registered office of the Company or at any Directors' meeting or any later date specified in the notice.

20.6. The Council shall at all times be entitled to appoint at least one Director. Any person appointed by the Council pursuant to this paragraph shall be designated as a Council Director.

20.7. The Council shall be entitled at any time and for any reason to remove and replace any Council Director. A Council Director shall only be appointed and removed by the Council.

20.8. Any appointment or removal of a Council Director pursuant to Articles 20.6 or 20.7 shall be made by notice in writing to the Company and shall take effect upon the earlier of delivery to the Company in accordance with these Articles and delivery to

a meeting of the Directors (or on any subsequent date of appointment or removal which may be specified in the notice).

20.9. The appointment of Directors shall be subject to the provisions of Article 9.

21. Termination of Director's appointment

21.1 . A person ceases to be a Director as soon as:

21.1.1. that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law; .1.2.a bankruptcy order is made against that person;

21.1.3. a composition is made with that person's creditors generally in satisfaction of that person's debts;

21.1.4. by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;

21.1.5.the Directors resolve to remove him from office on the grounds that they reasonably believe he has become mentally or physically incapable of acting as a Director and may remain so for more than three months;

21.1.6. notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms; or

21.1.7. the Directors resolve to remove him from office.

22. **Alternate Directors**

22.1. Subject to the Articles, if a Director has an interest in an actual or proposed transaction or arrangement with the Company:

22.1.1. that Director and that Director's alternate may not vote on any proposal relating to it, but

22.1.2. this does not preclude the alternate from voting in relation to that transaction or arrangement on behalf of another appointor who does not have such an interest.

22.1 A Director who is also an alternate director has an additional vote on behalf of each appointor who is:

22.2.1. not participating in a Directors' meeting, and

22.2.2. would have been entitled to vote if they were participating in it.

22.2 The appointment of alternates shall be subject to the provisions of Schedule 1.

23. **Appointment and removal of alternates**

23.1 Any Director appointed by the Council (the "Appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

23.1.1. exercise that Director's powers, and

23.1.2. carry out that Director's responsibilities,

23.1.3. in relation to the taking of decisions by the Directors in the absence of the alternate's appointor.

23.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.

23.3 The notice must:

23.3.1. identify the proposed alternate, and

- 23.3.2. in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

24. Rights and responsibilities of alternate Directors

- 24.1. An alternate Director has the same rights, in relation to any Directors' meeting or Directors' written resolution, as the alternate's appointor.
- 24.2. Except as the Articles specify otherwise, alternate Directors:
 - 24.2.1. are deemed for all purposes to be Directors;
 - 24.2.2. are liable for their own acts and omissions,
 - 24.2.3. are subject to the same restrictions as their appointors; and
 - 24.2.4. are not deemed to be agents of or for their appointors.
- 24.3. A person who is an alternate Director but not a Director:
 - 24.3.1. may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
 - 24.3.2. may sign a written resolution (but only if it is not signed or to be signed by that person's appointor).
- 24.4. No alternate may be counted as more than one Director for such purposes.
- 24.5. An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

25. Termination of alternate Directorship

- 25.1. An alternate Director's appointment as an alternate terminates:
 - 25.1.1. when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 25.1.2. on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
 - 25.1.3. on the death of the alternate's appointor; or
 - 25.1.4. when the alternate's appointor's appointment as a Director terminates, except that an alternate's appointment as an alternate does not terminate when the

appointor retires by rotation at a general meeting and is then reappointed as a Director at the same general meeting.

26. Directors' remuneration

26.1 Directors may undertake any services for the Company that the Directors decide.

26.2 Subject to Article 26.3, Directors are entitled to such remuneration as the Directors determine:

26.2.1. for their services to the Company as Directors; and

26.2.2. for any other service which they undertake for the Company.

26.3 Non-executive Directors shall not be entitled to any remuneration for services provided unless approved by an ordinary resolution of the Members.

26.4 Subject to the Articles, a Director's remuneration may:

26.4.1. take any form; and

26.4.2. include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

26.5 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

26.6 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

26.7 The remuneration of Directors shall be subject to the provisions of Schedule 1 .

27. Directors' expenses

27.1 . The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

27.1.1. meetings of Directors or committees of Directors;

27.1.2. general meetings; or

27.1.3. separate meetings of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

28. Secretary

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

29. Change of company name

Subject to the Council's power of veto the name of the Company may be changed by an ordinary resolution of the Members which will require the agreement of more than 50% of the Members eligible to vote at the meeting at which the special resolution is proposed.

Members: becoming and ceasing to be a member

30. Membership

30.1 Subject to Article 9 and Schedule 1, the Company shall admit to Membership an individual or organisation which:

30.1.1. applies to the Company using any application process approved by the directors; and

30.1.2. is approved by the directors.

A letter shall be sent to each successful applicant confirming their Membership of the Company and the details of each successful applicant shall be entered into the Register of Members by the secretary.

30.2 The directors may in their absolute discretion decline to accept any application for Membership and need not give reasons for doing so.

30.3 The directors may prescribe criteria for Membership of the Company but shall not be obliged to accept persons fulfilling those criteria as Members.

30.4 The Company will be non-party in politics and non-sectarian in religion and will not discriminate on the grounds of sex, sexual orientation, race or opinion

31. Transfer of membership

31.1. A Member may transfer his membership to another person, providing such person fulfils any Membership criteria set out in these Articles or elsewhere, by signing an instrument of transfer in any usual form or in any form approved by the Directors and depositing such document at the registered office of the Company.

31.2. Following deposit of the instrument of transfer at the registered office, the secretary shall, as soon as reasonably practicable, register the transferee in the Register of Members of the Company and notify the transferee of the date he becomes a Member.

31.3. No fee shall be charged for registering the transferee in the Register of Members.

- 31.4. When a Member dies or becomes bankrupt (if an individual) or goes into receivership, administrative receivership, administration, liquidation or other arrangement for the winding up of a company (if a company), the Membership shall automatically pass to the personal representatives, trustee in bankruptcy, supervisor, receiver, administrator or administrative receiver (as appropriate) who may transfer such Membership rights in accordance with the procedure set out in article 31.1.
- 31.5. A Member may withdraw from Membership of the Company by giving 7 days' notice to the Company in writing and any person ceasing to be a Member shall be removed from the Register of Members.

32. Expulsion of member

- 32.1. The directors (with the Council's prior written consent) may terminate the Membership of any Member without his consent by giving the Member written notice if, in the reasonable opinion of the directors, the Member:

32.1.1. is guilty of conduct which has or is likely to have a serious adverse effect on the Company or bring the Company or any or all of the Members and directors into disrepute; or

32.1.2. has acted or has threatened to act in a manner which is contrary to the interests of the Company as a whole; or

32.1.3. has failed to observe the terms of these Articles and/or the Rules.

Following such termination, the Member shall be removed from the Register of Members.

- 32.2. The notice to the Member must give the Member the opportunity to be heard in writing or in person as to why his membership should not be terminated. The directors must consider any representations made by the Member and inform the Member of their decision following such consideration. There shall be no right to appeal from a decision of the directors to terminate the Membership of a Member.

Decision making by members

33. Votes of members

Subject to the Act, at any general meeting:

33.1.1. every Member who is present in person (or by proxy) shall on a show of hands have one vote; and

33.1.2. every Member present in person (or by proxy) shall on a poll have one vote.

34. Poll votes

- 34.1. A poll may be demanded at any general meeting by any qualifying person (as defined in section 318(3) of the Act) present and entitled to vote at the meeting.
- 34.2. Model Article 30(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

35. Proxies

- 35.1 . Model Article 31(1)(d) shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 35.2. Model Article 31(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

Administrative arrangements

36. Means of communication to be used

- 36.1 . Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 36.1.1. if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
 - 36.1.2. if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 36.1.3. if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 36.1.4. if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.

36.2. In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

37. Rules

The directors may, with the prior written consent of the Council, establish rules governing matters relating to Company administration that are required from time to time for the effective operation of the Company (for example, the provisions relating to classes of Members, Membership fees and subscriptions and the admission criteria for Members). If there is a conflict between the terms of these Articles and any rules established under this Article, the terms of these Articles shall prevail.

38. Indemnity and insurance

38.1 . Subject to article 38.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

38.1.1. each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

38.1.1. in the actual or purported execution and/or discharge of his duties, or in relation to them; and

38.1.2. in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) 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 (or any associated company's) affairs; and

38.1.2. the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 38.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

38.2. This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.

38.3. The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

38.4. In this article:

38.4.1. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

38.4.2. 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 associated company or any pension fund or employees' share scheme of the Company or associated company; and

38.4.3. a relevant officer means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

SCHEDULE 1

General

1. Altering the provisions of the Articles.
2. Passing any resolution for the Company's winding up (other than in the case of insolvency) or striking off.
3. Changing the general nature or scope of the business of the Company to any material extent.
4. Incorporating or acquiring any subsidiaries.
5. Granting, issuing or redeeming any mortgage, charge, pledge, lien, assignment, security interest, equity, option, right of pre-emption, title retention or other security agreement or arrangement or other encumbrance of any kind.
6. Giving any guarantee or indemnity.
7. Changing the name or trading name of the Company.
8. Except in the case of emergency for the protection of the Company's business or assets, instigating, settling or abandoning any litigation or other dispute involving the Company where the amount in issue exceeds £5,000 (other than normal debt collection in the ordinary course of business).
9. Granting any power of attorney.
10. Re-registering as a public limited company or unlimited company or otherwise changing the status of the Company from a private company limited by guarantee.
11. Permitting the appointment of any Director under Article 16 other than a Council Director.
12. Permitting the appointment of any alternate Director under Article 19.
13. Registering any transfer of a guarantor.

Financial and accounting

14. Adopting or making any material change to any Business Plan.
15. Borrowing any money other than in accordance with the Business Plan.
16. Making any loan (except normal trade credit) other than in accordance with the Business Plan.
17. Changing the company's auditors (including removal other than for the purposes of reappointment) accounting reference date or accounting policies.
18. Incurring any capital commitment in excess of £1,000 which is not included in the

Business Plan.

19. Approving the statutory accounts of the Company.
20. Approving any Director's remuneration other than as set out in the Business Plan.
21. Make any loan or advance or give any credit (other than in the ordinary course of business) to any person.

Trading

22. Purchasing, leasing, licensing or otherwise acquiring any assets, business or undertaking other than in accordance with the Business Plan.
23. Selling, leasing, transferring, licensing or otherwise disposing of any of the assets (other than in the ordinary course of business), business or undertaking of the Company other than in accordance with the Business Plan.
24. Entering into a contract or transaction except in the ordinary and proper course of business on arm's length terms.
25. Creating or entering into a contract or obligation or renewing or varying the terms of an existing contract or obligation to pay money or monies worth to any Member or any connected person of any Member where such contract or obligation:
 - 25.1 has a value in excess of £5,000; or
 - 25.2 is in the opinion of the Directors outside of the scope of Regulation 12 (1) of the Public Contracts Regulations 2015 or equivalent under successor legislation.
 - 25.3 has the potential to compromise the status of the Company as a Teckal compliant company.