

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY
GUARANTEE

ARTICLES OF ASSOCIATION
OF

SOUTH EAST LEP LIMITED (the "Company") Dated 2019

Interpretation, objects and limitation of liability

1. INTERPRETATION

1.1. In these Articles, unless the context otherwise requires

Accountability Board means the joint committee of the Councils constituted in accordance with the Framework Agreement

Accountable Body: means Essex County Council or such other local authority from time to time having responsibility for overseeing the proper administration of financial affairs within the LEP Area when these relate to public funds;

Act: means the Companies Act 2006;

AGM: has the meaning given to it in article 26;

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

Assurance Framework: means the local assurance framework as adopted by the Company with the agreement of the Accountable Body from time to time in accordance with the requirements of the central government in order to pay funding to local enterprise partnerships;

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;

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

Chair: has the meaning given to it in article 12.1;

Code of Conduct: means the code of conduct contained in the Assurance Framework

Confidential: information is classified if it falls within the definition of 'exempt information' or "confidential information" by virtue of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. This includes:

- (a) Information provided by a Government Department on terms which forbid the disclosure of the information to the public;
- (b) Where disclosure to the public is prohibited by a court or;
- (c) Where the Accountability Board holds "exempt information" under Schedule 12A of the Local Government Act 1972.

This also includes information relating to an individual, relating to the financial or business affairs of a particular person, negotiations, labour relations, legal professional privilege and in connection to the investigation or prosecution of a crime.

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

Conflicts of Interest Policy: means the policy of the Company governing Conflicts, as set out in the Assurance Framework.

Co-opted Directors: means the following, selected in accordance with the Assurance Framework

- Two District/Borough/City Council Leaders or Cabinet Members
- One Further Education representative
- One Higher Education representative
- One Third Sector representative

Councils means Southend on Sea Borough Council, East Sussex County Council, Essex County Council, Kent County Council, Medway Council and Thurrock Council

Deputy Chair: has the meaning given in article 12.2;

Director: means a Director of the Company and includes any person occupying the position of Director, by whatever name called;

Directors: means all of the Co-opted Directors, the Private Sector Directors, the Public Sector Directors, the Chair and the Deputy Chair.

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;

Eligible Director: means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter pursuant to article 15 and/or the Conflicts of Interest Policy);

Federated Boards: means all or any of the four groups of persons known at the date of incorporation from the four federated areas known as follows,

- "Success Essex",
- "Opportunity South Essex",
- "the Kent and Medway Economic Partnership" and
- "Team East Sussex "

or such successor or replacement body approved by the Directors as part of the Assurance Framework with the consent of each Council whose administrative area is served by the relevant Federated Board.

Federated Board Members: means a person who appears to the Directors to be a member of any of the Federated Boards.

Framework Agreement: means the agreement between the Councils and the Company constituting the Accountability Board

Class of Members means either the East Sussex Members, the Essex Members, the South Essex Members, the Kent and Medway Members as the case may be

LEP Area: means the combined administrative areas of the Councils or such other geographical area as is assigned to the Company by government from time to time;

Member: means a person whose name is entered in the Register of Members of the Company and **Membership** shall be construed accordingly;

East Sussex Member means a Member who was either

- nominated by the **East Sussex Members**;
- was a member of the Team East Sussex Federated Board at the date of incorporation; or has been nominated by the Directors as an East Sussex Member in accordance with article 23

Essex Member means a Member who was either

- nominated by the **Essex Members**;
- was a member of the Success Essex Federated Board at the date of incorporation; or
- has been nominated by the Directors as an Essex Member in accordance with article 23

Kent and Medway Member means a Member who was either

- nominated by the **Kent and Medway Members**;
- was a member of the Kent and Medway Economic Partnership Federated Board at the date of incorporation; or
- has been nominated by the Directors as a Kent and Medway Member in accordance with article 23.

South Essex Member means a Member who was either

- nominated by the **South Essex Members**;
- was a member of the Opportunity South Essex Federated Board at the date of incorporation; or
- has been nominated by the Directors as a South Essex Member in accordance with article 23.

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;

Objects: has the meaning given to it in article 2.1 and **object** shall mean any one of them;

Private Sector Director: means the following:

- The Chair
- The Deputy Chair
- Two individuals nominated by the Success Essex Members as the Success Essex business representatives
- Two individuals nominated by the Opportunity South Essex Members as the Opportunity South Essex business representatives
- Five individuals nominated by Kent & Medway Members as the Kent & Medway Economic Partnership business representatives
- Three individuals nominated by East Sussex Members as the Team East Sussex business representatives

Public Sector Director: means a person nominated as such by one of the Councils being

- One person from Essex County Council,
- One person from Thurrock Council,
- One person from Southend-on-Sea Borough Council,
- One person from Medway Council,
- One person from Kent County Council and
- One person from East Sussex County Council

Scheme of Delegation: has the meaning given to it in article 7.3;

Secretariat means those persons employed by the Accountable Body or a Council for the purposes of providing administrative, technical, secretarial or professional support to the Company and the Accountability Board pursuant to the Framework Agreement

Secretary: means an officer of the Secretariat nominated by the Accountable Body to act

as such

Special Resolution: has the meaning given in section 283 of the Act;

Subsidiary: has the meaning given in section 1159 of the Act;

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 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 not apply to the Company.

2. OBJECTS

2.1. The objects for which the Company is established (**Objects**) are:

- 2.1.1. to stimulate economic growth, productivity, employment, community development, job creation, inward investment, training and development, and commerce in the LEP Area;
- 2.1.2. to promote the LEP Area positively at regional, national, European and international levels on matters affecting its economic development; and
- 2.1.3. to act as a facilitator to develop strong working relationships between key stakeholders across the South East of England, ensuring there is a shared vision for a prosperous LEP Area to unlock barriers to growth.

3. POWERS

3.1. In pursuance of the Objects, the Company has the power to:

- 3.1.1. do all such things which in the opinion of the Directors are in the best interests of the Company and its Members; and
- 3.1.2. do all such other lawful things as are incidental or conducive to the pursuit or to the attainment of any of the Objects.

4. INCOME

- 4.1. The income and property of the Company from wherever derived shall be applied solely in promoting the 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 payment in good faith by the Company of expenses to Members or Directors in accordance with policies that may be adopted from time to time in the Assurance Framework.

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 remain available to be distributed or paid, shall not be paid or distributed to the Members but shall be transferred to similar bodies or another body with objects similar to those of the Company within the LEP Area or as directed by the government department then responsible for Local Enterprise Partnerships or their successor body.

6. GUARANTEE

- 6.1. The liability of each Member is limited to £1.00, 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 or she is a Member or within one year after he or she ceases to be a Member, for
 - 6.1.1. payment of the Company's debts and liabilities contracted before he or she 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.

Directors: General

7. DIRECTORS' GENERAL AUTHORITY AND CONDUCT

- 7.1. There shall be **between twenty and** twenty-five Directors of the Company
 - Fourteen Private Sector Directors
 - Six Public Sector Directors (no more than one nominated by each Council)
 - Five Co-opted Directors
- 7.2. Subject to these Articles, Directors are responsible for the management of the Company's business and may exercise all the powers of the Company accordingly.
- 7.3. Each of the Directors shall use their respective rights and powers to procure, so far as they are each able, that decisions of the Company are carried out in accordance with the Assurance Framework and any scheme of delegation for the time being adopted by the Company and contained in the Assurance Framework (**Scheme of Delegation**).
- 7.4. Subject always to the Act, in their conduct of the Company's business the Directors shall at all times:
 - 7.4.1 conduct themselves in a professionally responsible manner;
 - 7.4.2 have due regard to all confidentiality obligations concerning the Company's business;
 - 7.4.3 observe the seven principles as set out by The Committee on Standards in Public Life (as amended from time to time); and
 - 7.4.4 comply with the provisions of the Assurance Framework.

8. DIRECTORS MAY DELEGATE

8.1. Subject to the Articles:

8.1.1 the Directors may delegate any of the powers which are conferred on them under the Articles and which are in line with the Assurance Framework and any Scheme of Delegation:

- i. to such person or committee;
- ii. by such means (including power of attorney)
- iii. to such an extent;
- iv. in relation to such matters or territories; and
- v. on such terms and conditions;
- vi. as they think fit.

8.1.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

8.1.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions at any time.

Directors: Decision-Making

9. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

9.1. The general rule about decision-making by Directors is that any decision of the Directors must be a majority decision taken in one of the following ways:

9.1.1. on show of hands at a meeting of the Directors;

9.1.2. by written resolution, copies of which have been signed by a majority of the Eligible Directors or to which a majority of the Eligible Directors have otherwise indicated agreement in writing; or

9.1.3. by a majority of the Eligible Directors indicating to each other, by any means, that they share a common view on a matter.

9.2. A decision may not be taken in accordance with this article 9 if the Eligible Directors purporting to take the decision would not have formed a quorum had the decision taken place in a meeting.

10. DIRECTORS' MEETINGS

10.1. Directors' meetings shall take place not less than once per every three months. Directors meetings shall be open to the public, with the exception of any information or items classified as Confidential

10.2. Notwithstanding the provisions of article 10.1 meetings of the Directors are called by the Chair or Deputy Chair by giving not less than twenty Business Days' notice of the meeting to the Directors or by authorising the Secretary (if any) to give such notice.

10.3. A Director who is absent from the UK and who has no registered address in the UK shall not be entitled to notice of the Directors' meeting.

- 10.4. A person is able to exercise the right to speak at a Directors' 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
- 10.5 No business shall be transacted at a meeting of directors unless it is either:
- (a) included on the agenda for the meeting which is sent out with the notice given under article 10.2 convening the meeting; or
 - (b) certified by the Chair as urgent after consulting all directors by email.

11. QUORUM FOR DIRECTORS' MEETINGS

- 11.1. At a meeting of the Directors, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2. The quorum for the transaction of business at a meeting of Directors is any fifteen Eligible Directors, provided that such number must include
- At least one Success Essex business representative
 - At least one Opportunity South Essex business representative
 - At least one Kent & Medway Economic Partnership business representative
 - At least one Team East Sussex business representative
 - At least three public sector Directors
- 11.3. If the total number of Directors in office for the time being is less than the quorum required, the Directors must not take any decisions other than to appoint Co-opted Directors if there is a vacancy in accordance with article 19.

12. CHAIRING OF DIRECTORS' MEETINGS, APPOINTMENT OF CHAIR AND DEPUTY CHAIR AND TERMS OF OFFICE

- 12.1. The Company shall have at all times appointed a chairperson who shall be a Private Sector Director and who shall be appointed in accordance with the process set out in the Assurance Framework and the person so appointed for the time being is the **Chair**.
- 12.2. The Company shall have at all times appointed a deputy to the Chair (Deputy Chair), who shall be a Private Sector Director and who shall be appointed in accordance with the process set out in the Assurance Framework and the person so appointed for the time being is the **Deputy Chair**.
- 12.3. Subject to clause [12.4], a Chair or Deputy Chair (as applicable) shall be appointed for periods of no more than two years, such appointment ending at the meeting of the Directors falling closest to the second anniversary of their appointment (or re-appointment). Unless otherwise determined by [special resolution], the Chair or Deputy Chair (as applicable) shall be entitled to put themselves forward for re-election for a further period of two years in accordance with the Assurance Framework provided that no Chair or Deputy Chair shall be able to serve more than six years in their respective role.
- 12.4. Where the Chair or Deputy Chair puts him or herself forward for re-election, such election shall occur at the board meeting at which their board appointment ends in accordance with article [12.3].

13. NOT USED

[not used]

14. CASTING VOTE

- 14.1 If the numbers of votes for and against a proposal at a meeting of Directors are equal, the Chair or Deputy Chair chairing that meeting has a casting vote.
- 14.2 But this does not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the Chair or Deputy Chair chairing the meeting is not an Eligible Director for the purposes of that meeting (or part of a meeting).

15. DIRECTORS' CONFLICTS OF INTEREST

- 15.1 The Company shall at all times keep in force the Conflicts of Interest Policy to deal with Conflicts.
- 15.2 Subject always to the provisions of the Conflicts of Interest Policy, 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 unless the Director's interest cannot in the opinion of the Chair reasonably be regarded as likely to give rise to a conflict of interest
- 15.3 For the purposes of this article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.

16. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

17. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to these articles, the Directors may make any rule which they think fit about how they and any committees formed by them take decisions, and about how such rules are to be recorded or communicated to Directors, provided always that any such rule is consistent with the Assurance Framework, the Framework Agreement and these Articles.

Directors: numbers and appointment

18. NUMBER OF DIRECTORS

Unless otherwise determined by special resolution, the number of Directors shall not be less than twenty but shall not exceed twenty-five.

19. APPOINTMENT OF DIRECTORS

- 19.1 The Directors shall be composed of Private Sector Directors, Public Sector Directors and Co-opted Directors.
- 19.2 Upon a vacancy arising for any reason for a Private Sector Director, other than the Chair and the Deputy Chair, a replacement shall be appointed by the Class of Members for the area in which the vacancy has arisen.
- 19.3 The person appointed to a vacancy as set out in article 19.2 shall be the person securing the largest number of votes at a meeting of the relevant Class of Members held for this purpose and notified to the Secretary by the person chairing that meeting

in accordance with any applicable requirements and policies set out in the Assurance Framework.

- 19.4 Upon a vacancy arising for any reason in the office of Chair or Deputy Chair a replacement shall be appointed in accordance with article 12.
- 19.5 Upon a vacancy arising for a Public Sector Director, a replacement shall be appointed on the written nomination of the relevant Council given to the Secretary by the proper officer of that Council.
- 19.6 If at any time there are fewer than five Co-opted Directors then the Directors may co-opt a person appearing appropriate to the Board in accordance with the Assurance Framework.

20. RETIREMENT OF DIRECTORS

- 20.1 A Private Sector Director shall retire from office on the second anniversary of their appointment. Subject to articles 20.2 and 20.3, such retiring Director shall be eligible for re-appointment by relevant Class of Members .
- 20.2 A Private Sector Director shall, subject to article 20.3, be eligible for re-appointment for two further periods of two years.
- 20.3 Any Private Sector Director (including the Chair and Deputy Chair) who shall have served for a total of six years shall not be entitled to be re-appointed.
- 20.4 Co-opted Directors shall retire from office on the first anniversary of their appointment.
- 20.5 A Director may resign from office by notice given to the Secretary.

21. DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 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 these Articles or s/he becomes prohibited by law from being a Director;
 - 21.1.2 that person shall for more than twelve months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that that person's office be vacated;
 - 21.1.3 a Bankruptcy order is made against that person;
 - 21.1.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 21.1.5 two-thirds of the board of Directors resolve that the person has failed to conduct themselves in accordance with article 7 and should as a consequence be removed from office; or
 - 21.1.6 in the case of a Public Sector Director, they cease for any reason to be a member of Cabinet of the Council which appointed them; or
 - 21.1.7 in the case of a Private Sector Director (other than the Chair and Deputy0, by a vote to that effect passed by a majority of those present and voting at a meeting of their appointing Class of Members .
- 21.2 Save where a Director is a Public Sector Director, a Director shall upon ceasing to be a Director by virtue of article 21 at the same time cease to be a Member.

Directors: alternate Directors and miscellaneous

22 ALTERNATE DIRECTORS

- 22.1 Directors may appoint alternates in accordance with the provisions of the Assurance Framework for the Directors and any alternate appointed in accordance with such provisions shall be bound by any rules relating set out in the Assurance Framework [and Terms of Reference] for the Directors.

Members: becoming and ceasing to be a Member

23 MEMBERSHIP

- 23.1 The first Members of the Company at incorporation shall be those who have subscribed to these articles.
- 23.2 Subject to article 23.3 any person appearing to the Directors to be a Federated Board member shall be entitled to become a Member if they submit an application for membership in the form prescribed by the Company
- 23.3 The maximum number of each Class of Members (East Sussex Members, Essex Members, South Essex Members and Kent and Medway Members) shall be as specified in the Assurance Framework from time to time but shall not in any event exceed fifty Members per Federated Board.
- 23.4 If the number of any category of Members is fewer than the maximum determined by reference to Article 23.3 then the Members of that category may, at a meeting of that category of Members called for the purpose, nominate a further Member to that category of Members by a majority of those present and voting.
- 23.5 Each Council is entitled to nominate one Member.
- 23.6 If anyone nominated as a member does not opt to become a member within one month of being nominated (or their nomination being accepted by the Directors if later) then the person or group entitled to nominate to that vacancy may make a further nomination to replace the original nominee.

24 DISQUALIFICATION AND REMOVAL OF MEMBERS

- 24.1 A person ceases to be a Member as soon as:
- 24.1.1 that person ceases to be a Member by virtue of any provision of the Act or these Articles or s/he becomes prohibited by law from being a Member;
 - 24.1.2 that person misses two consecutive AGMs without attending any meetings in the intervening period;
 - 24.1.3 a Bankruptcy order is made against that person;
 - 24.1.4 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 24.1.5 notification is received by the Company from the Member that the Member is resigning, and such resignation has taken effect in accordance with its terms;
 - 24.1.6 The Member is in breach of the Code of Conduct or is otherwise disrupting the business of the Company and at a meeting of that category of Members called for the purpose a majority of those present and voting resolve to remove that person as a Member;
 - 24.1.7 In the case of an Essex Member an East Sussex Member, a Kent and Medway Member or a South Essex Member, it appears to the Directors that the Member is no longer a member of a Federated Board.

25 TRANSFER OF MEMBERSHIP

Membership shall not be transferable.

Decision making by Members: general meetings

26 ANNUAL GENERAL MEETING

- 26.1 The Company shall hold an annual general meeting (**AGM**) at least once every calendar year and which shall be open to the general public save at a time when the meeting is considering items classified as Confidential.

27 ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 27.1 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.
- 27.2 A Member is able to exercise the right to vote at a general meeting when:
- 27.2.1 that Member is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- 27.2.2 that Member'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 Members attending the meeting.
- 27.3 The Directors may make whatever arrangements they consider appropriate to enable those Members attending a general meeting to exercise their rights to speak or vote at it.
- 27.4 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.

28 Not used

29. CHAIRING GENERAL MEETINGS

- 29.1. The Chair or, in his or her absence, the Deputy Chair shall preside as chair of every general meeting.
- 29.2. If neither the Chair nor the Deputy Chair is present within fifteen minutes after the time appointed for holding the meeting and willing to act, the meeting shall be adjourned and reconvened.

30. ATTENDANCE AND SPEAKING BY NON-MEMBERS

- 30.1 At an AGM the Chair of the meeting shall permit such other persons who are not Members of the Company to attend and speak in accordance with the Assurance Framework.
- 30.2 In addition to the other provisions of these articles the Chair of a general meeting may permit others to attend a meeting and speak.

31. ADJOURNMENT

- 31.1. The chair of the meeting may adjourn a general meeting if:
- 31.1.1. the meeting consents to an adjournment; or
- 31.1.2. it appears to the chair 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.
- 31.2. The chair of the meeting must adjourn a general meeting if directed to do so by at least 50% of the Members present at the meeting.
- 31.3. When adjourning a general meeting, the chair of the meeting must:
- 31.3.1. 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
- 31.3.2. have regard to any directions as to the time and place of any

adjournment which have been given by the meeting.

- 31.4. 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):
- 31.4.1. to the same persons to whom notice of the Company's general meetings is required to be given; and
 - 31.4.2. containing the same information which such notice is required to contain.
- 31.5. 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

32. VOTING: GENERAL

Without prejudice to any other provision of these Articles, 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.

33. ERRORS AND DISPUTES

- 33.1. 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.
- 33.2. Any such objection must be referred to the chair of the meeting whose decision is final.

34. POLL VOTES

- 34.1. A poll on a resolution may be demanded:
- 34.1.1. in advance of the general meeting where it is to be put to the vote; or
 - 34.1.2. 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.
- 34.2. A poll may be demanded by:
- 34.2.1. the chair of the meeting;
 - 34.2.2. the Directors;
 - 34.2.3. two or more persons having the right to vote on the resolution; or
 - 34.2.4. 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.
- 34.3. A demand for a poll may be withdrawn if:

- 34.3.1. the poll has not yet been taken; and
 - 34.3.2. the chair of the meeting consents to the withdrawal.
- 34.4. Polls must be taken immediately and in such manner as the chair of the meeting directs.

35. CONTENT OF PROXY NOTICES

- 35.1. Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:
- 35.1.1. states the name and address of the Member appointing the proxy;
 - 35.1.2. identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
 - 35.1.3. is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - 35.1.4. 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.
- 35.2. The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 35.3. Unless a proxy notice indicates otherwise, it must be treated as:
- 35.3.1. 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
 - 35.3.2. 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.

36. DELIVERY OF PROXY NOTICES

- 36.1. 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, and if s/he does so the proxy (notice) shall be revoked.
- 36.2. 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.
- 36.3. 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.
- 36.4. 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 appointer's behalf.

37. AMENDMENTS TO RESOLUTIONS

- 37.1. An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

- 37.1.1. 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
 - 37.1.2. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 37.2. If the chair of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

Administrative arrangement

38. MEANS OF COMMUNICATION TO BE USED

- 38.1. Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 38.1.1. 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);
 - 38.1.2. if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 38.1.3. if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 38.1.4. 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.

- 38.2. 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.

39. INDEMNITY AND INSURANCE

- 39.1. Subject to article 39.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 39.1.1. 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 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 s/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

- 39.1.2. 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 39.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 39.2. 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.
- 39.3. 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.
- 39.4. In this article:
 - 39.4.1. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 39.4.2. 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
 - 39.4.3. a **relevant officer** means any Director or other officer or former Director or other officer of the Company, but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not s/he is also a Director or other officer), to the extent s/he acts in his capacity as auditor.

40. Changes to Articles or Assurance Framework

- 40.1 No change to these articles or to the Assurance Framework shall take effect unless agreed in advance by the Accountable Body and until the Accountability Board has been given written notice of the proposed changes, those changes have been considered at a meeting of the Accountability Board and the decision maker has considered any comments or views expressed by the Accountability Board or any members thereof.
- 40.2 The Accountable Body shall not withhold its approval under article 40.1 unless in its opinion the change is likely to prejudice the ability of the Company or the Accountable Body to comply with the terms of any agreement to which the Accountable Body is party relating to the administration of funds or the ability to be allocated Government Funds.
- 40.3 In addition to the preceding clauses, no change to the articles which would affect the number of directors or members who may be appointed or nominated by any Class of Members may be approved without the approval of a majority of all Classes of Members
- 40.4 In addition to the preceding clauses, no change to the number of directors to be appointed by any Local Authority may be approved without being approved without the approval all local authority members.